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31st Annual General Meeting

*on Saturday, the 10th day of August, 2013 at 12.30 P.M.
at Hotel "The New Marrion", 6, Janpath, Bhubaneswar - 751001.*



ALFA TRANSFORMERS LIMITED

BOARD OF DIRECTORS	Mr. Dillip Kumar Das Mr. Deepak Kumar Das Mr. Santosh Kumar Patnaik Mr. Debasis Das Mr. S.K.Nanda Dr. N. C. Pal Mr. Sambit Mohanty Mr. Niranjan Mohanty Mr. B.N.R. Patnaik Mr. Supratim Basu	Chairman & Managing Director Whole-time Director (Finance) Whole-time Director (Tech. Service) Whole-time Director (Marketing) Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director
COMPANY SECRETARY	Mr. Susanta Kumar Satapathy	
AUDITORS	A.K. Sabat & Co, Chartered Accountants A/348, Sahid Nagar, Bhubaneswar -751007	
SECRETARIAL AUDITOR:	M/s Saroj Ray & Associates, Company Secretaries, Plot No. N-6/215, IRC Village, Bhubaneswar-751015.	
COST AUDITOR:	M/s S.S. Sonthalia & Co, Cost Accountants, Plot No: 395/4688 & 172/4689, Padmavati Vihar, P.O. : Sailashree Vihar Bhubaneswar-751021	
BANKERS :	a) State Bank of India, Commercial Branch, IDCOL House (Ground Floor), Unit –II, Ashok Nagar, Bhubaneswar -751001 b) Axis Bank Limited, Satyangar, Bhubaneswar.	
REGISTERED OFFICE AND FACTORY :	Plot No. 3337, Mancheswar I.E., Bhubaneswar - 751 010 Unit - I, Mancheswar Industrial Estate, Bhubaneswar – 751010 Unit - II, Plot No. - 2, Zone - D, Phase - A Mancheswar Industrial Estate, Bhubaneswar – 751010 Unit - III, Plot No. - C/12, Industrial Estate Madhupatna, Cuttack - 753 010 Unit - IV, Plot No. - 1046, 1047 & 1048, GIDC Estate Waghodia, Vadodara - 391760, Gujrat	
REGISTRAR & SHARE TRANSFER AGENT	M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700026 Phone: (033) 40724051 to 53, Fax : (033) 40724054 e-mail: mcssta@rediffmail.com	

NOTICE

NOTICE is hereby given that the **31st Annual General Meeting** of the members of Alfa Transformers Limited will be held on Saturday the 10th day of August, 2013 at 12.30 P. M. at Hotel "The New Marrion", 6, Janpath, Bhubaneswar-751001, to transact the following business : -

ORDINARY BUSINESS :

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March 2013, the profit and Loss account for the year ended on that date and the reports of the auditors and directors thereon.
2. To appoint a Director in the place of Mr. Sambit Mohanty, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Dr.N.C.Pal, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in the place of Mr. Supratim Basu, who retires by rotation and being eligible offers himself for re-appointment.
5. To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to section 224 of the companies Act, 1956 M/s A.K Sabat & Co. Chartered Accountants, the retiring Auditors of the company be and are hereby re-appointed as the statutory Auditors of the company to hold office from the conclusion of this Annual general meeting until the conclusion of next Annual general meeting of the company as such remuneration as may be fixed by the Board of directors of the company in consultation of the Statutory Auditor"

SPECIAL BUSINESS :

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

"RESOLVED THAT in accordance with the provisions of section 198, 269,309,310,311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment there-of, and subject to other approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Mr. Dillip Kumar Das, as Managing Director of the Company for period of two years, with effect from 7th August 2013 and his remuneration shall remain same as approved in the 29th Annual General Meeting held on 12.08.2011."

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

"RESOLVED THAT in accordance with the provisions of section 198, 269,309,310,311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment there-of,

and subject to other approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Mr. Santosh Kumar Patnaik, as Whole-time Director of the Company for a period of one year or till the settlement of the case whichever is earlier, with effect from 21st February 2013 and his remuneration shall remain same as approved in the 29th Annual General Meeting held on 12.08.2011."

**By orders of the Board
For Alfa Transformers Limited**

Place : Bhubaneswar (S. K. Satapathy)

Date : 29th May, 2013. Company Secretary

NOTES FOR MEMBER'S ATTENTION:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. An Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 relating to the Special Businesses under item No.6 and 7 of the Notice as set out above, are annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday the 1st August, 2013 to Friday, 09th August, 2013 (both days inclusive)** in terms of provisions of section 154 of the Companies Act, 1956.
4. The Company had declared Dividend @10% i.e. Re.1/- per equity shares of the Company for the Financial Year 2008-2009 and 2009-10 in the 27th & 28th Annual General Meeting held on 30th July, 2009 and 6th August, 2010 respectively. . All the equity shareholders of the Company are requested to contact the Company/ Share Transfer Agent i.e. M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700026. for payment of their dividend amount, if they have not been paid. The un-paid dividend for the Financial Year 2008-09 and 2009-10 as on 31.03.2013 are Rs.1, 43,796 & Rs.1, 86,622 Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Un-paid Dividend Account will as per Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.
The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividends. As per the recent RBI guidelines,



ALFA TRANSFORMERS LIMITED

- effective from September 30, 2009, ECS credit will be moved completely on National Electronic Clearance System (NECS) platform through core banking system. Accordingly, dividend will be credited to the shareholders' bank account through NECS where complete core banking details are available with the Company. In the event any branch of a Bank has not migrated to core banking system, or where the core banking account number is not furnished by the shareholder to the Depository/Company as the case may be, the Company will print the details available in its records on the dividend warrants to be issued to the shareholders. The Company is complying with SEBI's directive in this regard.
- 5 All the physical shareholders of the Company are requested to dematerialize their shares.
 - 6 Non-Resident Indian Shareholders are requested to inform Share Transfer Agent immediately :
 - i. the change in the residential status on return to India for Permanent Settlement.
 - ii. the particulars of NRE Account with Bank in India, if not furnished earlier.
 - 7 (a) Members are requested to notify immediately any change of address :
 - (i) to their Depository participants(DPs) in respect of their electronic share accounts; and (ii) to the Company/Share Transfer Agent in respect of their physical share folio, if any.
 - (b) In case the mailing address on this Annual Report is without the PINCODE, Members are requested to kindly inform their PINCODE immediately.
 - 8 A member desirous of getting any information on the accounts or operations of the company is required to forward his/her queries to the company at least seven days prior to the meeting so that the required information can be made available at the meeting.
 - 9 Members/Proxies are requested to bring their copies of Annual Report to the meeting and the attendance slip duly filled in for attending the meeting.
 - 10 Trading in the equity shares of the company is compulsorily in dematerialized form for all investors. The ISIN (International Securities Identification Number) allotted to the company's equity share is INE 209C01015.
 - 11 The members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
 - 12 Members are requested to send all communications relating to shares to the company's Share Transfer Agent. (Physical and Electronic) to M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur

- Road,Kolkata-700026.e- mail:mcssta@rediffmail.com
- 13 The names and address of the stock exchanges where-at the company's Share are listed, are given below:
 - a) Bombay Stock Exchange Limited,
Phiroze JeeJeebhoi Tower, Dalal Street,
Mumbai-400001.
 - b) The Bhubaneswar Stock Exchange Limited,
(Applied for De-listing)
Stock Exchange Bhavan, P-2, Jayadev Vihar,
Chandrasekhar, Bhubaneswar-751023.
 - c) The Calcutta Stock Exchange Association Limited,
(Applied for De-listing)
7, Lyons Range, Kolkata-700001.

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

ITEM No.6:

Members may recall that Mr. Dillip kumar Das has been appointed as Managing Director of the Company for a period of one year with effect from 7th August, 2012. Accordingly, the tenure of office of Mr. Dillip Kumar Das will end on 6th August 2013. The Board at its Meeting held on 29th May 2013, re-appointed Mr. Dillip Kumar Das as Managing Director for a further period of two years from 7th August, 2013. The remuneration and terms of appointment of Mr Dillip Kumar Das shall remain same as approved in the 29th Annual General Meeting held on 12.08.2011."

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

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

ITEM No.7:

Mr. Santosh Kumar Patnaik was appointed as a Whole-time Director (Technical Services) of the Company for a period of one years or attaining 65 years of age whichever is earlier w.e.f. 1st July, 2012 in the Annual General Meeting held on 11th August, 2012.The tenure of appointment of Mr. Santosh Kumar Patnaik, Whole-time Director (Technical Services) of the Company is going to be expired on 20.02.2013. The Board of Directors of the Company has re-appointed Mr. Santosh Kumar Patnaik, Whole-time Director of the Company for period of one year or till the settlement of the case, whichever is earlier w.e.f. 21.02.2013 in its meeting held on 14.02.2013 and the same has been placed in this notice for approval of the shareholders.

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

shareholders at the General Meeting. The resolution is proposed for this purpose.

Your Directors recommend that the resolution be passed. None of the Directors except Mr. Santosh Kumar Patnaik is interested in the proposed resolution.

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

(Pursuant to Clause 49 of the Listing Agreement)

Item No.2 of Notice of AGM

Brief Profile of Mr. Sambit Kumar Mohanty:

Mr. Sambit Kumar Mohanty, aged 51 years, is a graduate in Law from Utkal University. He is a young emerging Industrialist in Orissa Business Industry. He is having 26 years of work experience in Mechanical Product manufacturing. Presently he is the partner of M/s MM Company, Cuttack engaged in the manufacturing of Hand Pumps and Mechanical Engineering products. He is also a member of prominent Industry and Business Associations. He is the director of Phoenix Surgicare Private Limited (a wholly owned subsidiary company of Alfa Transformers Limited). He is also a member of Audit Committee and Remuneration Committee of your Company.

Item No.3 of Notice of AGM

Brief Profile of Dr. N.C.Pal:

Dr. N. C. Pal, aged 55 years, is a Fellow Member of the Institute of Cost and Works Accountants of India and Doctorate in Strategic Management of B.H.U. having total experience of 27 years key positions of Finance and Accounts of various organizations including M.N.C., Government of India Undertakings and Joint Sector Undertakings. He is also recipient of 20th Century Excellence Award in 1999 for his achievement in Corporate Finance Management. He has published several technical bulletins on power reforms in Odisha and its implication. He also served as a visiting faculty in the Xavier Institute of Management. Presently, he is the Director of Synergy Institute at Dhenkanal. He is not a Director of any other Companies. He is a member of Audit Committee and Remuneration Committee of your Company.

Item No.4 of Notice of AGM

Brief Profile of Mr. Supratim Basu :

Mr. Supratim Basu, aged 43 years, is a Bachelors of Science (Statistics & Operation Research) from Mumbai University and Masters in Management Studies (Finance) from Jamnalal Bajaj Institute, Mumbai. Mr. Supratim Basu is also Director of Frontline Venture Services Pvt. Ltd., a firm based in Mumbai and providing private equity advisory

services, Nimbus Communications Pvt. Ltd., and Shriram SEPL Composites Pvt. Ltd. He has over 18 years of quality equity research experience with top tier foreign brokerage firms operating in India. He has extensive knowledge of the technology sector, having tracked the Indian Technology sector for over 12 years. He has also tracked the Indian Telecom Sector (both operators and equipment providers) for 8 years besides looking in depth at the automobile, power and consumer sectors at different points in time.

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

Item No.6 of Notice of AGM

Brief Profile of Mr. Dillip Kumar Das

Mr. Dillip Kumar Das, 65 years of age, is Graduate in Electrical Engineering from University College of Engineering, Burla, Sambalpur. He is a member of IEEE, USA; Institute of Standard Engineers and Fellow of Institute of Engineers India and also life member of Indian Council of Management Executives, Mumbai. He graduated in 1969 and worked under Government of Orissa as Assistant Engineer till August, 1973 & then resigned to start his proprietorship business for manufacture and repair of distribution Transformers. He is the promoter & managing Director of your company since 1982. He has 41 years of rich experience over manufacturing and repairing of transformers. He is responsible for overall technical & commercial activities including designing, production planning, marketing, import & export etc.

Item No.7 of Notice of AGM

Brief Profile of Mr. Santosh Kumar Patnaik

Mr. Santosh Kumar Patnaik, aged 65 years, holds a Graduate Degree in Mechanical Engineering from Sambalpur University. He served with Larsen & Turbo Limited, Orient Paper Mills Limited and Fertilizer Corporation of India for 10 years. He resigned from the service in order to start a small-scale unit named as Oriental Insulated Conductors private Limited, which has already been amalgamated with Oricon Industries Limited. He has rich experience in the fields of Engineering, Technology, Project Consultancy, Administration and Management etc. He is a Director of Oricon Industries Limited. He is not a member of any committee of your Company.

BY ORDER OF THE BOARD
FOR ALFA TRANSFORMERS LIMITED

PLACE : BHUBANESWAR
Date: 29th May, 2013

Sd/-
COMPANY SECRETARY

**DIRECTORS' REPORT****Dear Members,**

We are pleased to present the Thirty-first Annual Report, Audited Accounts and Auditors report of your Company for the financial year ending 31st March'2013.

FINANCIAL RESULTS:

The summarized financial results of our operations for the Financial Year ending 31st March'2013 is detailed hereunder. (Rs.in lakhs)

Particulars	2012-13	2011-12
Net Sales/Income from operations (a+b+c)	2147.88	1876.99
(a) Export Sales	397.88	16.35
(b) Domestic Sales	1621.24	1850.08
(c) Income from operations	128.76	10.56
(d) Other Income	14.72	31.04
Total Income (a+b+c+d)	2162.60	1908.03
Less: Total Expenditure	2183.06	1757.11
Profit before interest & Depreciation	(20.46)	150.92
Interest & Finance charges	243.14	270.62
Depreciation	91.50	89.92
Profit Before Tax	(355.10)	(209.62)
Income Tax-Earlier Year	0.95	—
Deferred Tax	—	(19.10)
Net Profit after Tax	(356.05)	(228.72)

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

FINANCIAL PERFORMANCE:

The total income of the company has increased by approximately 12% but the company has incurred a loss of Rs. 356.05 lakhs during the year which includes Bad Debt & Provision for Doubtful debt amounting to Rs. 102.08 lakhs. This provision has been due to deduction of penalty from our bills by Electricity utility Companies of Gujarat towards delay delivery for the year 2011-12.

The losses were incurred by the Company mainly due to the following reasons.

a) Export Order :

The company executed export orders this financial year but the pending order could not be executed completely during this year because due to non-availability of Bankable Letter of Credit from our customer at Libya. Secondly there was long delay in release of payment from ECCO, the company had to carry huge amount of inventory thus there is an increase of interest liability and blockage of Working Capital. Since the payment was not forthcoming, the risk of supplying the complete lot was not worth taking and hence there was reduction of turnover.

b) Domestic Order :

The local Electrical Utilities in Odisha did not procure sufficient transformers and hence we tried to explore other markets like Gujarat and Chattisgarh. The pending orders worth INR 1186 lakhs from Gujarat were executed; but further orders were not available as utilities in Gujarat reduced the procurement quantity.

The company is supplying Amorphous Transformers to the Utilities in Gujarat from Bhubaneswar and CRGO Transformers from Baroda. The margin against this orders are very Low and delay in supply attract 10% penalty. Meanwhile, in case of Amorphous transformers, the import of raw materials appreciated due to weakening of Rupee vis-a-vis US\$.

Sales :

The Sales from Bhubaneswar Unit were affected due to retrenchment of non-performing workers, Labor unrest & strike and absent during the financial year. The Gujarat Order was completely executed by December'2012 and enough orders were not available to feed the Unit till the Year end.

The Vadodara unit had Sales Turnover of Rs.652.52 Lakhs which is approximate 60% less than expected level.

Some of the financial parameters are given hereunder:

(Rs. In Lakhs)

Particulars	2012-13	2011-12
Export Sales	397.88	16.35
Domestic Sales	1621.24	1850.08
Other Income	14.72	31.04
Profit Before Tax	(355.10)	(209.62)
Profit after Tax	(356.05)	(228.72)
EPS	(6.64)	(4.27)

Annual Report 2013

VALUATION:

The PBT & PAT has been decreased by 69.41% and 55.67% respectively in comparison to the last Financial Year. The EPS has gone down from Rs.(4.27) for the last FY to Rs.(6.64) for FY 2012-13.

FUTURE PROSPECTS:

During the year 2013-14, the management is hopeful for revival of the company for the following reason

- Export is slowly getting stabilized and expected to good
- The procurement by Odisha electrical Utilities has been proactive and their payment has improved and is regular. The company has received orders worth INR 1200 Lakhs from Odisha Electrical utilities and we expect further orders worth INR800 to 1000 lakhs from them during this financial year. Hence it is expected that breakeven production level can be achieved during this year.
- We are hopeful of getting sizable orders from Chattishgarh State Electricity Board & Gujarat Electricity utilities during July-September 2013.
- For our Baroda Unit, we had procured orders worth Rs.142.05 lakhs from M/s. Godrej & Boyce Mfg. Co. Ltd. and are expecting further order from them after completion of balance order.
- We also expect fresh orders from Gujarat electricity utilities by July 2013 for Baroda unit.

The performance of the company is expected to be better during the year 2013-14.

SUBSIDIARY COMPANY :

Phoenix Surgicare Private Limited (previously Jashoda Trades Private Limited) is the only wholly owned Subsidiary Company of your Company. There are business operations in the subsidiary company till the end of the FY 2012-13 Company has not started any business activities till the end of this financial year.

Audited Statements of accounts of the Company's Subsidiary:

As required under Section 212 of the Companies Act, 1956, the audited statements of accounts, along with the

report of the Board of Directors relating to the Company's Subsidiary i.e. Phoenix Surgicare Private Limited, together with the Auditors' Report thereon for the year ended 31st March, 2013 are annexed.

ACHIEVEMENTS :

Your Company continues to enjoy "Star Export House" status from the Government of India and ISO 9001-2008 certification for quality. The Company has also got the award of **STAR PERFORMER FOR THE YEAR 2008-09** from EEPCINDIA (Eastern Region).

DEPOSITS:

The Company has not accepted any public deposits so far.

DIRECTORS:

Pursuant to provisions of Section 256 of the Companies Act, 1956, Mr. Sambit Mohanty, Dr. N. C. Pal and Mr. Supratim Basu retire by rotation at the ensuing Annual General meeting and, being eligible, may offer themselves for reappointment.

Your Directors recommend their reappointment.

COST AUDITOR:

The company has appointed M/s S. S. Sonthalia & Co. Cost Accountants, Bhubaneswar to audit the cost accounts related to the company's product Electric Transformer for the year 2013-14. The company has received a certificate stating their appointment, if made, would be with the prescribed limit under section 224(1B) of companies Act 1956.

AUDITORS' OBSERVATION:

During the financial year 2012-2013 there is no audit qualification in the Company's financial statements. The company will continue to adopt best practices to ensure the regime of unqualified financial Statements.

AUDITORS AND AUDITORS' REPORT:

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



ALFA TRANSFORMERS LIMITED

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

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- i) In the preparation of the annual accounts for the year ended March 31, 2013 the applicable accounting standards read with requirements set out under Revised Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- ii) The accounting policies adopted are consistent and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been on a going concern basis.

DIVIDEND:

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

The un-paid dividend for the Financial Year 2008-09 & 2009-10 is Rs.1, 43,796 & Rs.1, 86,622 as on 31.03.2013 respectively. All the shareholders who have not received the dividend warrant/not yet en-cashed the same, are requested to apply to the Company or its Registrar and Share Transfer Agent i.e. M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700026. e-mail :mcssta@rediffmail.com.

Members are requested to note that dividends not en-cashed or claimed within seven years from the date of transfer to the Company's Un-paid Dividend Account will as per Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.

TRANSFER TO GENERAL RESERVE:

During the financial year ending on 31st March, 2012, no amount has been transferred to General Reserve in

accordance with the provisions of Companies (Transfer of profits to Reserves) Rules, 1975.

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

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

PERSONNEL

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

DISCLOSURE AS PER LISTING AGREEMENT:

Cash Flow:

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

Related Party Transactions:

As a matter of policy, your company carries out transactions with related parties on an arm-length basis. Statement of these transactions is given in the Notes to Account (Note-26(7a)) attached in compliance of Account Standard No.AS-18.

Listing:

The Company's shares are listed on the 'The Bombay Stock Exchange Limited'. The Annual listing fees to the 'The Bombay Stock Exchange Limited' for the year 2013-14 have been paid.

Voluntary Delisting from Bhubaneswar and Calcutta Stock Exchanges.

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

CORPORATE GOVERNANCE :

"Corporate Governance is the system by which Companies are directed and controlled. It also includes Board's accountability to the Company and stakeholders, strategic vision and effective monitoring by the Board, protection and equitable



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

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

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

2) BOARD OF DIRECTORS:

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

2.1) Composition:

The Board has an optimum combination of Executive and non-Executive Directors and is in conformity with Clause 49 of the listing agreement entered into with the stock exchanges, in which the Company’s Shares are listed. The composition of the Board as on 31st March, 2013 consists of ten Directors, among which four are Executive Directors and six are non-Executive Directors. The Chairman being Executive Director, at-least half of the Board should comprise of Independent Directors as per the Listing Agreement. The Board is classified broadly as follows:

Sl. No	Name of the Director	Status	Category	Shareholding in the Company
1.	Mr. Dillip Kumar Das	Chairman & Managing Director	Promoter and Executive Director	1008764
2.	Mr. Deepak Kumar Das	Whole-time Director (Finance)	Promoter and Executive Director	57000
3	Mr. Debasis Das	Whole –time Director	Executive and Non-independent Director. (Relative of Promoters)	121683
4.	Mr.Santosh Kumar Patnaik	Whole-time Director	Executive and Non independent Director.	200
5.	Mr.Supratim Basu	Director	Non-Executive and Non-independent Director	–
6.	Mr. Santosh Kumar Nanda	Director	Non-Executive and Independent Director	–
7.	Dr. Nitai Chandra Pal	Director	Non-Executive and Independent Director	–
8.	Mr. Sambit Mohanty	Director	Non-Executive and Independent Director	–
9.	Mr. Niranjana Mohanty	Director	Non-Executive and Independent Director	–
10.	Mr. B.N.R.Patnaik.	Director	Non-Executive and Independent Director	–

Board's Definition of Independent Director:

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

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

2.2) Code of Conduct:

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

2.3) Board Meetings & Procedures:

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

Numbers & Dates of Board Meetings held during the year:

- (i) During 2012-13, the Board of Directors met 5 times on the following dates:

Sl.No	Date of Board Meeting	Total Members	Attendance by number of members
1.	30 th May,2012	10	7
2.	22 nd June 2012	10	7
3.	11 th August ,2012	10	6
4.	14 th November,2012	10	8
5.	14 th Febuary,2013	10	9



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

Name of the Director	Attendance Particulars			Directorship in other Companies
	No of Board Meetings held	No of Board Meetings attended	Last AGM	
Mr. Dillip Kumar Das	5	5	Present	4
Mr. Deepak Kumar Das	5	5	Present	3
Mr.Santosh Kumar Patnaik	5	4	Present	1
Mr. S. K.Nanda	5	3	Absent	2
Dr. N.C.Pal	5	3	Present	None
Mr. Sambit Mohanty	5	3	Present	1
Mr.Debasis Das	5	5	Present	1
Mr. Niranjana Mohanty	5	2	Present	5
Mr. Supratim Basu	5	3	Absent	3
Mr. B.N.R.Patnaik.	5	4	Present	None

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

3) COMMITTEES OF BOARD:

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

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

3.1) AUDIT COMMITTEE:

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

The Audit Committee met four times during the year 2012-13.

The composition and attendance of the committee are given below:

Composition:

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

Mr. Supratim Basu Member Non-Independent and Non- executive Director

Attendance:

Sl. No.	Date of Meeting	Total Members	Attendance by Members
1.	30 th May,2012	4	2
2.	11 th August,2012	4	2
3.	14 th November,2012	4	3
4.	14 th February,2012	4	4

Audit Committee Charter:

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and removal of external auditor, fixation of audit fee and also approval for payment of any other services.
- c) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - Any change in the Accounting policies and practices.
 - Major accounting entries based on exercise of judgment by the management.
 - Qualification on draft Audit Report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with Stock Exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e. transaction of the company of material nature, with promoters or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the company at large.
- d) Reviewing with management, external and internal auditor, adequacy of internal controls systems.
- e) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- f) Discussion with internal auditors any significant findings and follow up thereon.
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h) Discussion with external auditors before the audit commences on the nature and scope of audit as well as has post audit discussion to ascertain any area of concern.
- i) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- j) To approve un-audited Quarterly Financial Results and publish the same as required in the Listing Agreement.

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

3.2) REMUNERATION COMMITTEE:

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

The Committee consists of majority of Independent Directors and non-Executive Director and the composition of the Committee is given below:

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

Terms of Reference:

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

REMUNERATION TO DIRECTORS :

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



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General Meeting and such authorities, as the case may be. Particulars of their remuneration for the year ended 31st March, 2013 are given below.

Name of Director	Remuneration for the year 2012 - 2013				
	Sitting Fees Rs	Salary Rs	Perquisites Rs	Commission Rs	Total Rs
Executive Directors:					
Mr. Dillip Kumar Das	Nil	1104000	395480	NIL	1499480
Mr. Deepak Kumar Das	Nil	600000	200000	NIL	800000
Mr. Debasis Das	Nil	600000	199588	NIL	799588
Mr. Santosh Kumar Patnaik.	Nil	600000	186052	NIL	786052
Non-Executive Directors					
Mr. S.K. Nanda	10000	Nil	Nil	Nil	10000
Dr. N.C. Pal	12000	Nil	Nil	Nil	12000
Mr. Sambit Mohanty	2000	Nil	Nil	Nil	2000
Mr. B.N.R. Patnaik	8000	Nil	Nil	Nil	8000
Mr. Niranjana Mohanty	2000	Nil	Nil	Nil	2000

3.3) SHARE TRANSFER AND INVESTOR GRIEVANCE COMMITTEE:

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

During the year, the Committee has met 04 times for consideration of share transfers, issue of duplicate shares, re-materialization of shares and other investors' grievances. The constitution of the Committee and the attendance of each member of the Committee are given below:

Name of the Director	Designation	Status	Committee Meetings Attended
Mr. B.N.R. Patnaik	Chairman	Independent and Non-Executive Director.	4
Mr. Deepak Kumar Das	Member	Promoter and Executive Director.	4
Mr. Debasis Das	Member	Relative of Promoter and Executive Director.	4

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

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

Sl.No	Nature of Complaint	Total No. of Complaints	Resolved	Not Resolved	Reason for pending
1	Non-receipt of Dividend Warrant	2	2	Nil	-
2	Non-receipt of certificate	1	1	Nil	-

4. GENERAL BODY MEETINGS :

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

Annual General Meeting:

Financial Year	Venue	Date	Day	Time	Special Resolution passed
2009-10	Hotel " The New Marrion", 6, Janpath, Bhubaneswar-751001	06.08.2010	Friday	12.30 P.M.	One
2010-11	Hotel " The New Marrion", 6, Janpath, Bhubaneswar-751001	12.08.2011	Friday	12.30 P.M.	None
2011-12	Hotel " The New Marrion", 6, Janpath, Bhubaneswar-751001	11.08.2012	Saturday	3.00P. M.	None

Extra-Ordinary General Meeting:

Financial Year	Venue	Date	Day	Time	Special Resolution passed
2009-10	No Extra-ordinary General Meeting was held during the year.				
2010-11	No Extra-ordinary General Meeting was held during the year.				
2011-12	At-Registered Office	23.01.12	Monday	11.00a.m.	None

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

5. DISCLOSURES :

5.1) Disclosure regarding materially significant related party transactions:

- There are no materially significant related party transactions made by the Company with its promoters, Directors or the management, their relatives conflicting with company's interests. Other related party transactions have been reported at item No. "26(7a)" of Notes on Accounts. The Register of Contracts containing transactions, in which Directors are interested, is placed before the Board regularly.

5.2) Disclosure of non-compliance by the company:

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

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

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

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

6) NON-MANDATORY REQUIREMENT:

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

- The company has setup a remuneration Committee pursuant to Clause 49 of the listing Agreement.
- During the financial year 2012-2013 there is no audit qualification in the Company's financial statements. The company will continue to adopt best practices to ensure the regime of unqualified financial Statements.

7) MEANS OF COMMUNICATION:

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

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

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



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8) MANAGEMENT DISCUSSION AND ANALYSIS:

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

9) GENERAL SHAREHOLDERS INFORMATION:

9.1) Annual General Meeting:

The Thirty-first Annual General Meeting ("the AGM") of the company will be held on Saturday, the 10th day of August of 2013 at 12.30 P.M. at Hotel " The New Marrison ", 6, Janpath, Bhubaneswar-751001".

9.2) Financial Calendar for the year 2013-14:

The Company follows April to March as its financial year. The financial Calendar for the year 2013-14 (Provisional) as follows:

Sl.No.	Financial Calendar	Tentative Schedule
a)	Results for the first quarter ending 30 th June'13.	By 14 th August,2013
b)	Results for the second quarter ending 30 th September'13.	By 14 th November, 2013.
c)	Results for the third quarter ending 31 st December,2013	By 14 th February ,2014
d)	Results (Audited) for the financial year ending 31 st March, 2014.	By 30 th May, 2014.
e)	Annual General Meeting for the year ending 31 st March,2014	By the end of September, 2014.

9.3) Dates of Book Closure :

The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, the 01st August, 2013 to Friday the 09th August, 2013 (both days inclusive)** for purpose of Annual General Meeting.

9.4) Dividend:

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

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

Details of dividend paid in the last Five Years:

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

Dividend of 10% (i.e. Re.1/- per share) for the Financial Year 2008-09 and 2009-10, was declared in the 27th Annual General Meeting held on 30th July, 2009 and 28th Annual General Meeting held on 6th August, 2010 and paid within 30 days of declaration of dividend as per the provisions of the Companies Act, 1956. Those who have not received the dividend amount, may contact the company or its RTA i.e. M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700026, e-mail : mcssta@rediffmail.com.

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

9.5) Listing on Stock Exchanges :

The Company's shares are presently listed with The Bombay Stock Exchange Limited (BSE), Phiroze Jee Jeebhoy Towers, Dalal Street, Mumbai-400001, which has nationwide trading terminals. The Annual Listing fees for the year 2012-13 have been paid to The Bombay Stock Exchange Limited (BSE).

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

9.6) Company Stock code:

The Mumbai Stock Exchange Scrip Code '517546'.

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

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9.7) Stock Market Data:

The monthly high and low quotations of Company's shares at Bombay Stock Exchange Limited (BSE) during the year 2012-13 under review are as under:

Month	High(Rs.)	Low(Rs.)	Volume(Nos)
April, 2012	28.50	18.50	27204
May, 2012	25.00	15.55	27541
June, 2012	25.00	15.00	31739
July, 2012	24.95	17.20	14906
August, 2012	18.90	15.40	18410
September, 2012	26.35	15.05	28322
October, 2012	26.45	21.65	18158
November, 2012	25.25	20.55	11791
December, 2012	24.95	20.60	16714
January, 2013	28.90	22.50	56953
February, 2013	27.00	21.05	20796
March, 2013	30.25	20.10	271677

9.8) CIN Number:

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

9.9) Registrar and Share Transfer Agents:

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

M/s MCS Share Transfer Agent Limited,

12/1/5, Manoharpukur Road, Kolkata-700026, Phone: 4072-4051to53, Fax: 4072-4054

e-mail-mcssta@rediffmail.com

9.10) Share transfer systems:

Transfers of Securities in physical form are registered and duly transferred share certificates are dispatched within 15 days of receipt, provided the documents are in order. With regard to Shares in demat mode, the procedure is adopted as per the provisions of Depositories Act, 1996. The Shareholders are advised to contact the Registrar and Share Transfer Agents at their address for effecting transfer of shares both in physical and electronic form.

9.11) Shares held in physical and dematerialized form:

As on 31st March 2013, 94.34% of shares of the company were held in dematerialized form and the rest in physical form. Out of this dematerialized, promoter and their associates own 49.89% and non-promoters held 50.11 % of these Shares. The details of shares held in Physical and dematerialized form is given below:

Details of Shares	Position as on 31.03.2013	% of holding
NSDLACCOUNT	4504526	84.04%
CDSLACCOUNT	552122	10.30%
TOTAL DEMAT A/C	5056648	94.34%
PHYSICAL HOLDING	303352	5.66%
TOTAL SHARES	5360000	100.00

9.12) Distribution of Shareholdings as on 31st March 2013:

As of 31st March, 2013 the distribution of company share holding were as follows:

No of Equity Shares held	No of shareholders	% of shareholders	No. of shares	% of shareholding
1-500	2770	83.5344	468949	8.7490
501-1000	279	8.4138	231147	4.3124
1001-2000	133	4.0109	208303	3.8863
2001-3000	32	0.9650	81412	1.5189
3001-4000	23	0.6936	83922	1.5657
4001-5000	14	0.4222	64897	1.2108
5001-10000	25	0.7539	175876	3.2813
10001-50000	28	0.8444	638273	11.9081
50001-100000	4	0.1206	271202	5.0597
100001 & ABOVE	8	0.2413	3136019	58.5078
TOTAL	3316	100	5360000	100

**ALFA TRANSFORMERS LIMITED****9.13) Shareholding Pattern as on 31st March, 2013:**

Category	No of Shares	% of Shares Capital
Indian Promoters	2522891	47.07
Private Corporate Bodies	321302	6.00
Indian Public	1689037	31.51
NRIs/OCBs	826770	15.42
Total	5360000	100

9.13-l) Shareholding Pattern as on 31st March, 2012:

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

9.14)GDRs/ADRs/Warrants:

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

9.15) Details of Shares held more than 1% as on 31st March, 2013:

Name of Shareholders	No of Shares held	% of Shareholding
Dillip Kumar Das	1008764	18.82
Strategic Ventures Fund (Mauritius) Ltd.	743912	13.8790
Galaxy Medicare limited	380256	7.094
Industrial Designs & Services Limited	485477	9.0574
Oricon Industries Limited	167900	3.132
Debasis Das	121683	2.2702
K Shiva Kumar	281608	5.2539
Dillip Kumar Das, HUF	88953	1.6596
Deepak Kumar Das	57000	1.063
Geetishree Das	69161	1.2903
Daga Anjana Sandeep	106419	1.9854
Deutsche Bank A. G.	56088	1.0464

9.16) Factory Locations of the Company :

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

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

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

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

9.17). SEBI Complaints Redress System (SCORES)

Securities Exchange Board of India introduced for quick resolution of Investors Grievances SEBI Complaints Redress System(SCORES). The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralized database of all complaints, 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.

9.18) Address for Correspondence:

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

Mr. Susanta Kumar Satapathy

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

DECLARATION

I, Dillip Kumar Das, Managing Director of Alfa Transformers Limited, hereby declare that all the members of the board of Directors and the Senior Management personnel have affirmed compliance with the code of conduct, for the year ended 31st March, 2013.

FOR AND ON BEHALF OF THE BOARD

PLACE: BHUBANESWAR

DILLIP KUMAR DAS

DATE: 29th May, 2013

CHAIRMAN

CEO AND CFO CERTIFICATION

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

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2013 and to the best of our knowledge and belief :
 - i) these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2013 are fraudulent, illegal or volatile of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the designs or operation of such internal controls, if any of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in accounting policies during the year requiring disclosures in the notes to the financial statements; and
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Bhubaneswar

Date: 29th May, 2013

Managing Director

Director (Finance)



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

PERFORMANCE REVIEW :

In the competitive market, the Company was able to achieve Sales and Other Income, in monetary terms for the year to Rs. 21.62 cores as compared to Rs. 19.08 cores in the previous year. However, the Loss was increased to Rs. 3.55 cores as compared to Rs. 2.09 cores in the previous year. The profitability of the Company was adversely affected largely, due to intense price war amongst manufacturers in view of overcapacity in the Industry and also on account of sharp increase in raw material prices on fixed price contracts. Loss of the company increased due to deduction of penalty for delay delivery and price variation loss on supplies to electricity utilities of different states. The Rupee depreciation against US Dollar has also adversely impacted further during the financial year. However, compared to its peers in industry, profitability of the Company is relatively better though it is on lower side compared to previous year.

The current year has begun with lower order backlog of Rs.10 to 12 cores. The enquiry level has been improved but decision making is very slow and all the orders are booked on very low margin, with attendant risk of uncertainty during its execution, in view of intense competition in market. Again, the Company is continuing to be very selective in taking orders as still the price realization remains very low. The present challenge is managing orders within the budgeted costs and high volatility in the prices of major raw materials.

Credit period extended to customers not getting honored results into high level of receivables with resultant strain on cash flow. Barring unforeseen circumstances, the Company expects to increase its volume of business in the current year.

INDUSTRY OVERVIEW:

The overall transformer industry in India is a matured one with domestic as well as export markets, as power sector development is key to the economic development. Demand generated from capacity additions, which is expected to be 76,000 MW during 12th five year plan; and replacement of demand, will increase demand further. Thrust and policy of Government of India to electrify all villages by 2020 and programmes like the RGGVY will provide opportunities and growth in the transformer industry. However, looking to current recession in the global market, cut throat competition, escalation in prices of raw materials, credit squeeze, delayed financial closure, delay in implementation of plans by government and environment concerns, we believe that there will be pressure on the margins in the short-run.

OUTLOOK FOR THE COMPANY :

With upcoming projects and added efforts being put in for power generation, transmission & distribution, the long term prospects are bright. However, due to sizable unutilized capacity in the transformer industry, prices are under pressure which leads to immense competition amongst the industry players. Increasing competition, delay in government projects, high volatility in the prices of major raw materials like copper, electrical steel sheets, transformer oil, steel and related components will continue to impact realizations, both at gross and net level, and hence hindering the proper growth of the industry in the near future. The rupee depreciation against US Dollar may also adversely impact further during the financial year.

FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:

Our future results of operations may potentially be affected by the following factors:

- ❑ Competitive conditions in the industry.
Growth of power sector in India.
- ❑ Our ability to continuously operate and maintain our manufacturing facilities optimally.
- ❑ Technological changes in the industry.
- ❑ Escalation in prices as well as the availability of raw materials.
- ❑ General economic and business conditions in India.

HUMAN RESOURCES :

The Company continues its focus on development of human resource. The relations of the management with employees during the year continued to be cordial. Learning and development has been strengthened to bring value addition in the employee and to enhance Team Building leading towards success. The Company focuses on providing the employees motivating work environment and excellent career development opportunities.

INTERNAL CONTROL SYSTEMS:

The Company has effective internal control systems for compliance of laws, rules and regulations to safeguard the interest of the Company. The Company maintains a system of internal controls designed to provide reasonable assurance regarding the effectiveness and efficiency of operations and for safeguarding the assets of the Company and for ensuring appropriate recording and reporting of financial information for ensuring reliability of financial controls and for ensuring compliance of applicable laws and regulations. The internal audit covers a wide variety of operational

matters and ensures compliance with specific standards with regard to reliability and suitability of policies and procedures. The internal auditor reports to the top management through CEO & Managing Director and continuously monitors adherence to lay down systems and policies through a structured internal audit process. Services of internal auditors are being outsourced through established audit firm. The systems are regularly reviewed and modified for changes in operating and regulatory requirements. The Audit Committee reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the same from time to time.

RISKS & CONCERNS:

The unprecedented variation in the prices of raw materials, particularly copper, transformer oil and special steels for lamination, is a major area of concern for executing transformer orders in uncertain market condition. Depreciation of Indian Rupee against US Dollar is also a concern which continues to adversely affect the profitability. The unutilized capacity in the transformer industry and intense competition adversely impact product prices and margins. The present challenge for the Company is successfully executing low prices orders, within the budgeted cost. The delay by government in implementation of its plans may lead to a fall in demand for transformers, in short term. Further, change in government policy on land acquisition for industrial projects, allotment of natural resources and its pricing and policy changes in environmental related laws is having major impact on investment in new projects. Almost all the players in the industry have expanded their existing capacities. Further, continued strong presence of foreign (Chinese & Korean) transformer manufacturers is keeping the competitive pressures high, which is expected to continue during the year 2013-14 also.



ALFA TRANSFORMERS LIMITED

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To
The Members,
Alfa Transformers Limited.

We have examined the compliance of conditions of Corporate Governance by Alfa Transformers Limited for the year ended on 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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

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

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

For A. K. Sabat & Co.
Chartered Accountants
Firm Registration No. 321012E

(S.CHAND)
PARTNER
Membership No. 050063

Place : Bhubaneswar
Date : 29/05/2013

INDEPENDENT AUDITORS' REPORT

To

The Members of Alfa Transformers Limited

Report on Financial Statements

We have audited the accompanying financial statements of Alfa Transformers Limited ("the Company") which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date 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 Subsection (3C) of Section 211 of the Companies Act, 1956. 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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



ALFA TRANSFORMERS LIMITED

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 ("the Order"), we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required under provisions of section 227(3) of the Companies Act, 1956, 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 dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - e. on the basis of the written representations received from the Directors as on March 31, 2013 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2013 from being appointed as a Director in terms of Section 274(1)(g) of the Companies Act, 1956;
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For A. K. Sabat & Co.
Chartered Accountants
Firm Registration No. 321012E

(S.CHAND)
PARTNER
Membership No. 050063

Place : Bhubaneswar
Date : 29/05/2013

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT
RE: ALFA TRANSFORMERS LIMITED ("THE COMPANY")**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) During the year, in our opinion, a substantial part of fixed assets has not been disposed off by the Company.
- (ii) (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(b) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (e) The Company has taken unsecured loan from companies & other parties covered in the register maintained under Section 301 of the Companies Act, 1956 amounting to Rs 44.50 lakh.
- (f) Rate of interest, other terms and conditions are prima facie not prejudicial to the interest of the Company.
- (g) Payment of principal amount & interest in respect of the above mentioned loan have been regular.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination, we have neither come across nor have we been informed of any instance of major weakness in the aforesaid internal control systems.
- (v) (a) According to the information and explanations provided by Management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered into the register maintained under Section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five Lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company, including the records prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 for the products of the Company, and are of the opinion that prima facie the prescribed cost records have been maintained and are being made up. 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) According to the records of the Company and information and explanations given to us, in our opinion, undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable



ALFA TRANSFORMERS LIMITED

in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other statutory dues outstanding as at 31.03.2013 for a period of more than six months from the date they became payable.

- (b) As at March 31, 2013, details of disputed statutory dues of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other statutory dues are as follows:

Name of the Statute	Period	Dispute (in brief)	Disputed Amount Rs.	Forum where dispute is pending
Central Excise and Salt Act,1944	2002-03	Disallowance of CENVAT on inputs purchased from 100% EOU	1,06,711	Commissioner (Appeals)
Income Tax Act,1961	1994-95	Deduction U/S 80 I disallowed in assessment	2,77,227	High Court of Orissa
Income Tax Act,1961	1995-96	Deduction U/S 80 I disallowed in assessment	2,71,209	High Court of Orissa
Income Tax Act,1961	2006-07	Disallowance of Deposit/ advances written off, loss on discarded assets .	11,90,020	Income Tax Appellate Tribunal, Cuttack
Income Tax Act,1961	2010-11	Disallowance of expenses	23,860	Income Tax Appellate Tribunal, Cuttack
Central Sales Tax,1956	1989-90	Disallowance of CST exemption	2,51,039	High Court of Orissa
Central Sales Tax,1956	1990-91	Disallowance of CST exemption	1,08,000	Revision Petition before Commissioner of Sale Tax, Bhubaneswar
Central Sales Tax,1956	1991-92	Disallowance of CST exemption	15,50,740	Sales Tax Tribunal
Central Sales Tax,1956	2000-01	Surcharge on Central Sales Tax	71,399	Asst. Commissioner of Sales Tax
Central Sales Tax,1956	2002-03	For D Form Transaction	31,837	Asst. Commissioner of Sales Tax.
The Orissa Sales Tax Act, 1947	1996-97	Disallowance of Price Variation Bill	73,008	Sales Tax Tribunal
The Orissa Sales Tax Act, 1947	2002-03	Wanting Form IV & XXXIV	2,66,710	Assistant Commissioner of Sales Tax
The Orissa Sales Tax Act, 1947	2003-04	Wanting Form IV & XXXIV	6,62,384	Assistant Commissioner of Sales Tax
Central Sales Tax,1956	2005-06	C Form Wanting	38,850	Assistant Commissioner of Sales Tax
The Orissa Entry Tax Act, 1999	2002-03	Demand on Purchase of Raw Materials	1,16,787	Assistant Commissioner of Sales Tax
The Orissa Entry Tax Act, 1999	2004-05	Demand on Purchase of Raw Materials	2,77,791	Assistant Commissioner of Sales Tax
The Orissa Entry Tax Act, 1999	2005-06 to 2007-08	Demand on Purchase of Raw Materials	87,06,714	Assistant Commissioner of Sales Tax

- (x) The Company has no accumulated losses at the end of the financial year ending 31.03.2013. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution, bank or to debenture holders during the year.

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- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted 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 Order are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealer or trader in securities. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (xviii) During the year the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the Management.

For A. K. Sabat & Co.
Chartered Accountants
Firm Registration No. 321012E

(S.CHAND)
PARTNER
Membership No. 050063

Place : Bhubaneswar
Date : 29/05/2013


ALFA TRANSFORMERS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2013

(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2013		As at 31st March 2012	
I. EQUITY AND LIABILITIES					
1 Shareholders' Funds					
(a) Share Capital	1	536.00		536.00	
(b) Reserves and Surplus	2	1213.21		1580.04	
			1749.21		2116.04
2 Share Application Money Pending Allotment			—		—
3 Non-Current Liabilities					
(a) Long-Term Borrowings	3	32.02		109.11	
(b) Deferred Tax Liabilities (Net)	4	112.89		112.89	
(c) Other Long Term Liabilities		—		—	
(d) Long-Term Provisions	5	10.16		9.42	
			155.07		231.42
4 Current Liabilities					
(a) Short-Term Borrowings	6	1039.49		1231.37	
(b) Trade Payables	7	483.90		408.12	
(c) Other Current Liabilities	8	283.48		461.36	
(d) Short-Term Provisions	9	1.98		2.26	
			1808.85		2103.11
TOTAL			3713.13		4450.57
II. ASSETS					
1 Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	10	1741.80		1828.87	
(ii) Intangible Assets	10	7.61		8.43	
(iii) Capital Work-in-Progress	10	8.04		21.73	
(iv) Intangible Assets under Development		—		—	
(b) Non-Current Investments	11	13.49		13.49	
(c) Long-Term Loans & Advances	12	51.06		87.83	
(d) Other Non-Current Assets -			1822.00		1960.35
2 Current assets					
(a) Current Investments	13	50.00		50.00	
(b) Inventories	14	805.39		1223.75	
(c) Trade Receivables	15	731.42		849.00	
(d) Cash and Cash equivalents	16	127.53		152.01	
(e) Short-Term Loans & Advances	17	176.79		215.46	
(f) Other Current Assets		—		—	
			1891.13		2490.22
TOTAL			3713.13		4450.57
SIGNIFICANT ACCOUNTING POLICIES	25				
ADDITIONAL NOTES ON ACCOUNTS	26				

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

FOR AND ON BEHALF OF THE BOARD

 FOR A.K.SABAT & CO
 CHARTERED ACCOUNTANTS

 S.CHAND
 PARTNER
 Membership No.050063
 BHUBANESWAR
 DATED : 29th May 2013

DILLIP KUMAR DAS

DEEPAK KUMAR DAS

SUSANTA KU. SATAPATHY

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2013

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
I. Revenue from Operations	18	2147.88	1876.99
II. Other Income	19	14.72	31.04
III. Total Revenue (I + II)		2162.60	1908.03
IV. EXPENDITURE :			
Cost of Materials Consumed	20	1488.43	1255.12
Changes in Inventories of Finished Goods Work-in-Progress	21	164.14	21.26
Employee Benefits Expenses	22	136.27	129.46
Finance Costs	23	243.14	270.62
Depreciation and Amortization expense	10	91.50	89.91
Other Expenses	24	394.22	351.28
Total Expenses		2517.70	2117.65
V. Profit/(Loss) Before Exceptional and Extraordinary Items and Tax (III-IV)		(355.10)	(209.62)
VI. Exceptional Items		—	—
VII. Profit/(Loss) Before Extraordinary Items and Tax (V - VI)		(355.10)	(209.62)
VIII. Extraordinary Items		—	—
IX. Profit/(Loss) Before Tax (VII- VIII)		(355.10)	(209.62)
X Tax Expenses:			
(1) Current Tax		—	—
(2) Income Tax earlier year		(0.95)	—
(3) Deferred Tax Assets/(Liabilities) [Net]		—	(19.10)
XI Profit/(Loss) for the period (IX-X)		(356.05)	(228.72)
XII Earnings Per Equity Share (of face value ₹ 10/- each)			
(1) Basic & Diluted (in ₹)		(6.64)	(4.27)
SIGNIFICANT ACCOUNTING POLICIES	25		
ADDITIONAL NOTES ON ACCOUNTS	26		

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

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS

S.CHAND
PARTNER
Membership No.050063
BHUBANESWAR
DATED : 29th May 2013

DILLIP KUMAR DAS
DEEPAK KUMAR DAS
SUSANTA KU. SATAPATHY

MANAGING DIRECTOR
DIRECTOR
COMPANY SECRETARY


ALFA TRANSFORMERS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Lakhs)

PARTICULARS	Year Ended 31-03-2013	Year Ended 31-03-2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Interest, Taxes & Extraordinary Items	(111.97)	61.01
Add :		
Depreciation	91.50	89.92
Bad Debts Written off/Provisions & Liquidated Damages etc.	102.57	37.32
Loss on sale / adjustment of assets	–	1.63
	82.10	189.88
Less :		
Interest Income	16.85	19.67
Foreign Exchange Gain/ (Loss) (Net)	(1.07)	11.66
Profit/ (Loss) on Sale of Assets & Discarded (Net)	1.35	–
Balances written back	8.43	5.30
Profit on Sale of Investment (Net)	–	3.60
Dividend Received	0.05	0.05
	25.62	40.28
Operating Profit / (Loss) before Working Capital Changes	56.48	149.60
Adjustment for;		
Inventories- Decrease/(Increase)	418.37	10.94
Trade & Other Receivables- Decrease/(Increase)	52.72	(58.66)
Trade Payables & Provisions- Decrease/ (Increase)	81.08	102.34
Cash Generated From Operations	608.65	204.22
Less: Income Tax(Paid)/Refunded	34.44	20.55
NET CASH FLOW FROM OPERATING ACTIVITIES	643.09	224.77
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions of Fixed Assets and Capital Work-in-Progress	(6.05)	(11.89)
Proceeds on Sale of Fixed Assets	6.82	–
Interest Received	16.85	19.67
Proceeds on Sale of Mutual Fund	0.00	41.10
Dividend Received	0.05	0.05
(Increase)/ Decrease in Fixed Deposit	32.25	(4.61)
NET CASH FLOW FROM INVESTING ACTIVITIES	49.92	44.32

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Lakhs)

PARTICULARS	Year Ended 31-03-2013	Year Ended 31-03-2012
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase/ (decrease) in secured borrowings	(443.84)	4.97
Repayments of Loans	1.74	(2.72)
Payment of Interest	(243.14)	(270.62)
NET CASH FLOW FROM FINANCING ACTIVITIES	(685.24)	(268.37)
Net Increase in cash and cash equivalents(A+B+C)	7.77	0.72
Cash and cash equivalents as on 31-03-2012	9.10	8.38
CASH & CASH EQUIVALENTS AS ON 31-03-2013	16.87	9.10
Cash and Cash Equivalents comprises		
— Cash	2.38	2.45
— Balance with Schedule Banks (*)	14.49	6.65
[* Includes Dividend Account of Rs. 3.32 lakhs (Previous year- Rs.3.31 lakhs)]		
	16.87	9.10

Note :

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

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

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO

CHARTERED ACCOUNTANTS

S.CHAND

DILLIP KUMAR DAS

MANAGING DIRECTOR

PARTNER

Membership No.050063

DEEPAK KUMAR DAS

DIRECTOR

BHUBANESWAR

DATED : 29th May 2013

SUSANTA KU. SATAPATHY

COMPANY SECRETARY



ALFA TRANSFORMERS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

1. SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March 2013		As at 31st March 2012	
	No. of Shares in lakhs	Amount	No. of Shares in lakhs	Amount
Authorised Share Capital				
Equity Shares of Rs. 10/- Each	120.00	1200.00	120.00	1200.00
Issued , Subscribed & Paid up:				
Equity Shares pf Rs. 10/- each fully paid up	53.60	536.00	53.60	536.00
Total	53.60	536.00	53.60	536.00

Details of Shareholders holding more than 5% shares :

(₹ in Lakhs)

Name of Shareholders	As at 31st March 2013		As at 31st March 2012	
	No. of Shares in lakhs	% held	No. of Shares in lakhs	% held
Dillip Kumar Das	10.09	18.82%	8.08	15.08%
Industrial Designs & Services Limited	4.85	9.06%	4.85	9.06%
Galaxy Medicare Limited	3.80	7.09%	3.80	7.09%
Strategic Venture Fund (Mauritius) Limited	7.44	13.88%	8.00	14.93%
K Shiva Kumar	2.81	5.25%	—	—

2. RESERVES AND SURPLUS

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
a. Capital Reserves		
State Investment Subsidy		
Opening Balance as per Last Balance Sheet	9.92	9.92
Add : Current Year Transfer	—	—
Less : Written Back in Current Year	—	—
Closing Balance	9.92	9.92
b. Share Premium Account		
Opening Balance as per Last Balance Sheet	983.70	983.70
Add : Current Year Transfer	—	—
Less : Written Back in Current Year	—	—
Closing Balance	983.70	983.70
c. General Reserve		
Opening Balance as per Last Balance Sheet	600.00	600.00
Add : Transferred to Profit and Loss Account	—	—
Closing Balance	600.00	600.00
d. Revaluation Reserve		
Opening Balance as per Last Balance Sheet	102.66	113.44
Less : Transferred to Profit and Loss Account	(10.77)	(10.78)
Closing Balance	91.89	102.66
e. Profit and Loss Account		
Opening Balance as per Last Balance Sheet	(116.25)	112.47
Less : Loss for the year	(356.05)	(228.72)
Closing Balance	(472.30)	(116.25)
Total	1213.21	1580.04

3. LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
SECURED LOAN		
a. Term Loans		
From State Bank of India	—	41.59
From Axis Bank Limited	32.02	67.52
	32.02	109.11
UNSECURED LOAN	—	—
Total	32.02	109.11

Terms and Conditions Secured Term Loans as set out below :

Particulars	SBI Term Loan-I	SBI WCTL	Axis Bank Term Loan
Period of maturity with reference to Balance Sheet date	12 Months	11 Months	24 Months
Number of Instalments outstanding as at 31st March, 2013	4 Quarterly	11 Months	24 Months
Outstanding Amount of Instalments as at 31st March, 2013	22.50	79.00	67.02
Rate of Interest	Base Rate Plus 4.75%	Base Rate Plus 5.50%	Base Rate Plus 6.00%
Amount of default and period of default	NIL	NIL	NIL

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

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

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

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

4. DEFERRED TAX LIABILITY (Net)

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
I. Deferred Tax Liability :		
Related to Fixed Assets	(136.78)	(126.56)
	(136.78)	(126.56)
II. Deferred Tax Assets :		
Timing Difference for various items restricted	23.89	13.66
III. Deferred Tax Liability (Net) (I+II)	(112.89)	(112.89)

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

**ALFA TRANSFORMERS LIMITED****5. LONG TERM PROVISIONS****(₹ in Lakhs)**

Particulars	As at 31st March 2013	As at 31st March 2012
(a) Provision for Employee benefits		
Gratuity (Non-funded) *	8.69	7.98
Leave Encashment (Non-Funded)	1.47	1.44
Total	10.16	9.42

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

6. SHORT TERM BORROWINGS**(₹ in Lakhs)**

Particulars	As at 31st March 2013	As at 31st March 2012
SECURED LOAN		
a. Working Capital Loan		
From State Bank of India	791.98	1010.49
From Axis Bank Limited	243.05	220.88
	1035.03	1231.37
UN-SECURED LOAN		
Loan From Phoneix Surgicare Private Limited	4.46	—
	4.46	—
Total	1039.49	1231.37

Disclosure :

Particulars	State Bank of India Cash Credit	Axis Bank Ltd Cash Credit
Preiod of maturity with reference to Balance Sheet date	Renewal every year	Renewal every year
Outstanding amount as at 31st March,2013	791.98	243.05
Rate of Interest	Base Rate Plus 4.75%	Base Rate Plus 6%
Overdue amount and Period	Nil	Nil

7. TRADE PAYABLE**(₹ in Lakhs)**

Particulars	As at 31st March 2013	As at 31st March 2012
a) Trade Payables	468.84	384.92
b) Others	15.06	23.20
Total	483.90	408.12

7.1 Trade Payables includes Rs. 39.86 lakhs (Previous Year-Rs.37.76 lakhs) due to Micro,Small and Medium Enterprises based on available information with the Company details of which as follows :

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Principal amount due and remaining unpaid	38.42	36.98
Interest due on above and the unpaid interest	1.44	0.78
Interest paid during the year	—	—
Payment made beyond the appointed day during the year	—	—
Interest due and payable for the period of delay	1.44	0.78
Interest accrued and remaining unpaid	1.44	0.78
Amount of further interest remaining due and payable in succeeding years.	—	—

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

8. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
(a) Current maturities of long-term debt *	136.50	309.63
(b) Interest accrued and due on borrowings	5.29	5.42
(c) Unpaid dividends	3.32	3.31
(d) Creditors for Capital Goods	2.91	7.03
(e) <i>Other Liabilities</i>		
i. Advance from Customers	67.36	63.36
ii. Advance against Sale of Land	10.00	–
iii. Statutory Liabilities	29.57	30.12
iv. Liabilities for Expenses	20.00	25.98
v. Payable to employees	8.53	16.51
Total	283.48	461.36

* Details of Current Maturities of Long Term Debt :

a. Term Loans		
From State Bank of India	101.50	282.91
From Axis Bank Limited	35.00	24.00
b. Vehicle Loan from Bank		
From Axis Bank Limited	–	2.72
Total	136.50	309.63

9. SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March'2013	As at 31st March'2012
(a) Provision for employee benefits		
Leave Encashment (Non-Funded)	1.98	2.26
Total	1.98	2.26

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

10. FIXED ASSETS

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NETBLOCK	
	Cost as at 31-03-2012	Additions during the year	Sale/ adjustment during the year	Cost as at 31-03-2013	Up to 31-03-2012	For the Period	On Sale/ adjustment during the year	Up to 31-03-2013	As at 31-03-2013	As at 31-03-2012
TANGIBLE ASSETS :										
Land	269.16	—	—	269.16	—	—	—	—	269.16	269.16
Office Building	68.97	—	—	68.97	12.05	2.16	—	14.21	54.77	56.92
Factory Shed	479.61	—	—	479.61	175.30	18.57	—	193.87	285.74	304.31
Main Plant & Machinery	1308.84	13.91	14.00	1308.75	354.50	61.06	13.92	401.63	907.12	954.33
Testing Equipments	107.15	0.05	—	107.20	42.22	4.35	—	46.56	60.64	64.94
Material Handling Equipments	142.93	0.08	—	143.00	61.01	4.78	(0.05)	65.84	77.17	81.92
Electrical Installations	80.61	0.15	—	80.76	30.79	2.92	—	33.71	47.05	49.81
Energy saving Devices	2.00	—	—	2.00	1.97	—	—	1.97	0.03	0.03
Auxiliary Equipments	11.80	—	4.70	7.10	10.89	0.33	4.60	6.62	0.49	0.91
Office Equipments	15.07	0.46	—	15.53	9.90	0.58	—	10.48	5.05	5.18
Computers	13.46	0.31	—	13.77	10.00	1.40	—	11.40	2.37	3.47
Furniture & Fixture	13.10	—	—	13.10	6.64	0.47	—	7.11	5.99	6.46
Vehicle	47.72	4.80	8.26	44.26	16.91	4.81	3.45	18.28	25.99	30.81
Motor-Cycle & Cycle	0.96	—	0.46	0.50	0.34	0.04	0.15	0.23	0.26	0.62
Total -A	2561.38	19.75	27.43	2553.71	732.51	101.46	22.07	811.90	1741.80	1828.87
INTANGIBLE ASSETS :										
Technical Knowhow	9.78	—	—	9.78	1.94	0.46	—	2.40	7.38	7.85
Software	2.29	—	—	2.29	1.72	0.34	—	2.06	0.22	0.58
Total -B	12.07	—	—	12.07	3.65	0.81	—	4.46	7.61	8.43
Capital Work-in-Progress	21.74	0.22	13.91	8.04	—	—	—	—	8.04	21.73
Total -C	21.74	0.22	13.91	8.04	—	—	—	—	8.04	21.73
TOTAL- CURRENT YEAR	2595.19	19.97	41.34	2573.82	736.17	102.27	22.07	816.37	1757.45	1859.02
Previous year	2587.94	126.61	119.36	2595.19	638.09	100.69	2.62	736.16	1859.03	1949.83
Particulars				As at 31-03-2013				As at 31-03-2012		
Depreciation				102.27				100.69		
Less : Transferred to Revaluation Reserve				(10.77)				(10.78)		
				Total				89.91		

The Gross Block of Fixed Assets includes Rs.368.43 Lakhs on account of revaluation of Fixed Assets carried out on 31.10.1999. Consequent to the said revaluation there is an additional charge of depreciation of Rs. 10.77 lakhs (Previous year- Rs.10.78 lakhs) during the year and an equivalent amount has been withdrawn from Revaluation Reserve and Credited to the Profit and Loss Account. This has no impact on profit for the year.

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11. NON-CURRENT INVESTMENTS (Valued at Cost) (₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Long Term Investments : (Unquoted,at cost)		
I. Trade Investments		
a) 15,000 Equity Shares of Rs.10/- each in Talaja Conductors Pvt. Ltd.	1.50	1.50
Less : Written off / Provision for permanent diminution of value	1.35	1.35
	0.15	0.15
b) Shares in Subsidiary Companies-Unquoted 1,24,200 Equity Shares of Rs. 10/- each (Previous Year-1,24,000) in Phoneix Surgicare Pvt. Limited.	12.67	12.67
II. Other Investments		
a) 5000 Equity Shares of Rs.10/- each with a premium of Rs.3/- each in Utkal Infrastructure Consortium (P) Ltd.	0.65	0.65
b) National Savings Certificates (*)	0.02	0.02
Total	13.49	13.49

* Lodged with Sales Tax authorities as securities

12. LONG TERM LOANS AND ADVANCES (₹ in Lakhs) (Un secured and Considered Good)

Particulars	As at 31st March 2013	As at 31st March 2012
a) Security Deposits	19.03	25.74
b) Advance Income Tax/refundable (Net of Provision)	7.17	42.55
c) Sales Tax Deposits	24.86	19.54
Total	51.06	87.83

13. CURRENT INVESTMENTS [Valued at Cost] (₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
(A) Investment in Bonds Other than Trade (Unquoted)		
6.25% Rural Electrification Corporation Limited Capital Gain Bonds (500 Units of Rs.10000/- each)	50.00	50.00
Total	50.00	50.00

14. INVENTORIES (*) (₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Indigenous Raw materials & Components	249.68	442.53
Imported Raw materials & Components	124.39	185.25
Semi-finished goods	220.18	486.08
Finished goods	209.34	107.58
Raw-Materials in Transit	1.80	1.64
Discarded Assets	—	0.67
Total	805.39	1223.75

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



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15. TRADE RECEIVABLES

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured - Considered Good	84.98	315.72
- Considered Doubtful	60.05	21.47
	145.03	337.19
Less: Provision for doubtful debts	60.05	21.47
	84.98	315.72
Trade receivables outstanding for a period less than six months from the date they are due for payment		
— Considered Good	646.44	533.28
	646.44	533.28
Total	731.42	849.00

16. CASH AND BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
A) Cash and Cash Equivalents		
a) Balances with banks		
i) In Current Account	11.17	3.34
b) Cash on hand	2.38	2.45
B) Other Bank balances		
i) In Deposits Account (#)	110.66	142.91
ii) In earmarked Account		
- Unpaid dividend account	3.32	3.31
Total	127.53	152.01

(#) Deposit account includes Margin Money kept with Bank for opening of Letter of Credit and Bank Guarantees :

Maturing within 3 Months	32.53	—
Maturing between 3 and 12 Months	73.28	138.06
Maturity period more than 12 Months	4.85	4.85

17. SHORT TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Deposit with Custom & Central Excise Authorities	96.64	139.42
Earnest Money and Security Deposits	24.42	19.53
Deposit with Sales Tax Authority	0.39	0.29
Advance to suppliers, staff and others*	7.72	29.73
Export Benefit Receivable	27.35	—
Interest accrued on Term Deposits	5.79	15.88
Prepaid Expenses	14.48	10.61
Total	176.79	215.46

* Includes :

a) Loans and Advances due by Directors or other officers of the Company	—	0.97
b) Loans and Advances due by private companies in which a director is a member.	0.15	0.16

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18. REVENUE FROM OPERATION :

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Sale of products		
Sales (Domestic)	1815.05	2002.73
Sales (Export)	397.88	16.35
Sale of services		
Repairing Services	2.96	34.22
Project Consultancy Services-Export	82.90	—
Other operating revenues	45.86	10.56
	2344.65	2063.86
Less: Excise duty	196.77	186.87
Total	2147.88	1876.99

19. OTHER INCOME :

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Interest Income	11.04	16.65
Dividend Income	0.05	0.05
Foreign Exchange Fluctuations (Net)	2.28	10.74
Gain on Sale of Investments (Net)	—	3.60
Gain on Sale of Assets (Net)	1.35	—
Total	14.72	31.04

20. COST OF MATERIALS CONSUMED :

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Indigenous:-		
Opening Stock	442.53	339.23
Purchases	1110.02	950.41
	1552.55	1289.64
Closing Stock	249.68	442.53
Sub Total-A	1302.88	847.11
Imported :-		
Opening Stock	185.25	231.13
Purchases	124.69	362.13
	309.94	593.26
Closing Stock	124.39	185.25
Sub Total-B	185.55	408.01
Total Consumption (A+B)	1488.43	1255.12

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

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Opening Stocks :		
Finished Goods	107.58	92.94
Stock-in- Process	486.08	521.98
	593.66	614.92
Less : Closing Stocks		
Finished Goods	209.34	107.58
Stock-in- Process	220.18	486.08
	429.52	593.66
(Accretion)/Depletion of Stocks	164.14	21.26



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22. EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Salaries, Wages and Incentives	120.35	117.40
Contributions to Provident ,E.S.I and Gratuity *	13.83	11.43
Staff welfare expenses	2.09	0.63
Total	136.27	129.46

* Includes Rs.0.35 lakhs during the current year (Previous year- Rs.1.92 lakhs) pertaining to Contract Labour.

23. FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Interest expenses		
Interest on Term Loans	37.04	60.79
Interest on Working Capital Loans	170.80	149.79
Other borrowing costs	35.30	60.04
Total	243.14	270.62

24. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
A MANUFACTURING EXPENSES		
1 Job Work Charges	64.06	70.52
2 Power & Fuel	41.76	45.81
3 Testing Expenses	2.93	14.67
4 Research & Development Expenses	—	2.85
5 Factory Rent	7.26	7.26
6 Excise Duty on increase/decrease of stock	(0.59)	3.57
Total-A	115.42	144.68
B REPAIRS AND MAINTENANCE		
1 Repairs to machinery	6.36	9.84
2 Repairs to Building	4.39	5.92
3 Repairs to Vehicles	8.93	9.04
4 Repairs to Others	1.00	1.62
Total-B	20.68	26.42
C SELLING AND DISTRIBUTION EXPENSES		
1 Selling Expenses	15.98	15.02
2 Sales Commission	24.98	11.04
3 Carriage Outward	50.98	50.63
4 Taxes and Duties	6.18	4.11
5 Bad Debt Written off	23.03	15.84
6 Liquidated Damages	25.70	—
7 Provision for Doubtful Debts	53.35	21.47
Total-C	200.20	118.11
D ADMINISTRATIVE EXPENSES		
1 Travelling Expenses	17.57	14.26
2 Printing & Stationery	1.58	2.04
3 Insurance Charges	5.65	7.37
4 Advertisement Expenses	1.44	3.94
5 Postage and Telephone Charges	4.62	4.87
6 Auditors Remuneration	1.65	1.50
7 Fees and Subscription	5.69	5.91
8 Legal & Professional Fees	6.91	5.38
9 Security Service Charges	10.14	9.49
10 Rent	0.41	0.32
11 General Expenses	3.56	4.29
12 Books and Periodicals	0.14	0.10
13 Meeting Expenses	0.63	1.38
14 Registrar's Fees	0.25	0.26
Total-D	60.24	61.11
E OTHER EXPENSES		
1 Loss on sale of Assets (Net)	—	1.63
2 Prior Year Adjustment (Net)	(2.32)	(0.67)
Total-E	(2.32)	0.96
Total	394.22	351.28

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

A. 1 REVENUE RECOGNITION

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

2 FIXED ASSETS

- i. Fixed Assets other than those which have been revalued are stated at cost which includes all direct expenses including attributable borrowing cost incurred up to the date of installation of assets less accumulated depreciation (other than "Leasehold Land" where no depreciation is charged).
- ii. Revalued assets are shown at the revalued cost less accumulated depreciation as per the Accounting policy no. 3(ii).
- iii. Discarded fixed assets are de-capitalized and included under inventories at 5% of value of assets being estimated realizable value.
- iv. The cost of fixed assets not ready for use before such date are disclosed under capital work-in-progress.

3 DEPRECIATION

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

4 BORROWING COST :

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

5 INVESTMENT

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

6 INVENTORIES

- i. Stock of Raw Materials, Components and stores are valued at lower of cost and net realizable value . Cost of raw material is determined on weighted average method, excluding CENVAT paid on purchases. Scrap is valued at estimated realisable value.
- ii. Stock of Materials-in-Process and Finished Goods are valued at lower of cost and net realizable value. Cost excludes CENVAT paid on inputs but includes excise duty payable on completion of manufacture of the Finished Goods.

7 FOREIGN CURRENCY TRANSACTION

- i. Receipts and Payments are recorded at actual rates prevailing on the date of transaction.
- ii. Balances in the form of Current Assets and Current Liabilities (including for procurement of Fixed Assets) in



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foreign currency, outstanding at the close of the year, are converted (in Indian Currency) at the appropriate rates of exchange prevailing on the date of Balance Sheet and the resultant loss or gain is taken to exchange variation account which gets charged in or credited to the Profit and Loss Account.

- iii. Forward Exchange Contracts not intended for trading or speculation purpose : The premium or discount arising at the inception of forward exchange contracts is amortized as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the statement of profit and loss on the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expense for the year.

8 RESEARCH AND DEVELOPMENT

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

9 EMPLOYEE BENEFITS

(i) **Short Term Employee Benefits:**

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

(ii) **Defined Contribution Plans.**

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

(iii) **Defined Benefits Plans**

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

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

10 LIQUIDATED DAMAGES

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

11 TAXATION :

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

12 IMPAIRMENT OF ASSETS

- (a) The Company has one product which is manufactured in and sold from its factories located at Bhubaneswar and Vadodara and accordingly entire Company is treated as Cash Generation Unit for carrying out Impairment Test.
- (b) Estimated future net inflows are made on the basis of estimated growth in volumes considering the expected growth of power industry based on current trends and the rise in input and other costs on past experiences.

13 PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS.

- (a) The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
- (b) Liabilities contingent upon happening of future event are disclosed by way of a note in the accounts. Claims against the Company where a demand has been raised by any authority or disputed in arbitration are recognized as Contingent Liability, if contested.
- (c) Contingent assets are not recognized.
- (d) Provision is made regarding disputed statutory levies only when the appeal is decided by the Appellate Tribunal.

NOTE NO.26 ADDITIONAL NOTES ON ACCOUNT :

1. RAW MATERIALS AND COMPONENTS CONSUMED :

Items	2012 - 13			2011 - 12		
	Qty (MT)	Value (Rs. In lakhs)	%	Qty (MT)	Value (Rs. In lakhs)	%
INDIGENOUS :						
Conductors	114.141 MT	280.18	19	108.907 MT	206.84	16
Steel Materials	93.365 MT	49.35	3	155.859 MT	53.79	4
Core Lamination	189.996 MT	291.56	20	41.740 MT	67.63	5
Transformer Oil	414.360KL	225.70	15	436.689KL	264.43	21
Others		456.10	31		254.42	21
Sub Total	811.862	1302.89	88	743.195	847.11	67
IMPORTED :						
CRGO Steel	33.330 MT	43.17	3	26.177 MT	44.49	4
AMDT Core	106.070 MT	140.38	9	272.766 MT	340.55	27
Conductors	0.541 MT	2.03	0	5.588 MT	21.23	2
Others	—	—	—	—	1.74	—
Sub Total	139.941	185.58	12	304.531	408.01	33
Total	951.803	1488.47	100	1047.726	1255.12	100

2. PAYMENT TO AUDITORS:

(₹ in Lakhs)

SR No	Particulars	2012 - 13	2011 - 12
i.	Audit Fees	1.50	1.20
ii.	Taxation matters	—	0.20
iii.	Other services	0.15	0.10
	TOTAL	1.65	1.50

3. EARNING PER SHARE :

(₹ in Lakhs)

SR No	Particulars	2012 - 13	2011 - 12
i.	Profit/(Loss) available to Equity Share Holders (Rs. In lakhs)	(356.05)	(228.72)
ii.	Weighted Average number of equity shares for Basic EPS in lakhs	53.60	53.60
iii.	Nominal Value of Equity Shares in Rs.	10.00	10.00
iv.	Basic and diluted Earning Per Equity Share in Rs	(6.64)	(4.27)

4. CIF VALUE OF IMPORTS

(₹ in Lakhs)

SR No	Particulars	2012 - 13	2011 - 12
i.	Raw Material and Components	116.76	341.48

5. EXPENDITURE IN FOREIGN CURRENCY

(₹ in Lakhs)

SR No	Particulars	2012 - 13	2011 - 12
i.	Travelling	1.65	0.63

6. EARNING IN FOREIGN CURRENCY

(₹ in Lakhs)

SR No	Particulars	2012 - 13	2011 - 12
i.	Export on FOB Basis (Direct)	259.81	111.29
ii.	Project Export/Consultancy Services	295.47	—



ALFA TRANSFORMERS LIMITED

7. RELATED PARTY DISCLOSURES

(₹ in Lakhs)

Name	Nature of Transactions	2012 - 13	2011 - 12
a) Related Companies			
Industrial Designs & Services Ltd	Job Work	7.85	7.32
Oricon Industries Limited	Job Work	37.93	16.40
Galaxy Medicare Limited	Loan taken	28.77	—
Galaxy Medicare Limited	Purchase & Sale of Raw materials	0.17	0.56
Phoneix Surgicare (P) Ltd (wholly owned subsidiary Company)	Advances	0.38	0.16
Alfa Electricals & Co	Loan taken	5.00	—
D.K.Das & Sons (HUF)	Factory Rent	7.08	—
	Loan taken	12.22	—
b) Key Management Personnel			
Dillip Kumar Das	Remuneration	14.99	14.66
Deepak Kumar Das	Remuneration	8.00	7.99
Debasis Das	Remuneration	8.00	7.72
Santosh Kumar Pattnaik	Remuneration	7.86	8.00
Santosh Kumar Pattnaik	Travelling Expenses	—	1.33

8. CONTINGENT LIABILITIES & COMMITMENTS

(₹ in Lakhs)

SR No	Particulars	2012 - 13	2011 - 12
A.	Contingent Liabilities		
i.	Un expired Letters of Credit	223.66	91.04
ii.	Counter Guarantees for Bank Guarantees issued	261.39	282.46
iii.	Claims against the Company not acknowledged as Debt		
	a) Income Tax	17.62	11.85
	b) Sales Tax (*)	30.54	31.84
	c) Entry Tax (#)	91.01	25.21
	d) Excise	1.06	1.06
		625.29	443.46
B.	Commitments		
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for.	—	—
	TOTAL	625.29	443.46

* Amount paid under protest against the demands amounting to Rs. 20.66 lakhs is shown under Long-term Loans and Advances under Note No.12

Amount paid under protest against the demands amounting to Rs.4.20 lakhs which is shown under "Long Term Loans and Advances under Note no.12

9. SEGMENT REPORTING :

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

(₹ in Lakhs)

Particulars of Sale of	Within India		Outside India		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Transformer	1815.05	2002.73	397.88	16.35	2212.93	2019.08
Project Export/Consultancy	—	—	82.90	—	82.90	—
Repairing/Service Charges	2.96	34.22	—	—	2.96	34.22
Total	1818.01	2036.95	480.78	16.35	2298.79	2053.30

10. Disclosure relating to Leave Encashment - As per Actuarial Valuation on 31st March,2013

a) Table Showing Changes in Present Value of Obligations :

Particulars	Current Year	Previous Year
Present value of obligation as at beginning of the year	3.71	3.89
(i) Acquisition Adjustments	—	—
(ii) Interest cost	0.27	0.30
(iii) Past Service cost	—	—
(iv) Current Service cost	0.63	0.40
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Benefits Paid	(0.63)	(0.75)
(viii) Actuarial gain/ loss on Obligation	(0.52)	(0.13)
Present value of obligation as at end of the year	3.45	3.71

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

Particulars	Current Year	Previous Year
(i) Current Service Cost	0.63	0.40
(ii) Past Service Cost	—	—
(iii) Interest Cost	0.27	0.30
(iv) Expected Return on Plan Asset	—	—
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Actuarial gain/ loss on Obligation	(0.52)	(0.13)
Expenses Recognized in Statement of Profit and Loss Account	0.38	0.57

c) Table Showing Actuarial Assumptions :

Particulars	Current Year	Previous Year
(i) Mortality Table	LICI 1994-1996	LICI 1994-1996
(ii) Superannuation Age	58	58
(iii) Early Retirement & Disablement	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29
(iv) Discount Rate	8.50%	8.50%
(v) Inflation Rate	6.00%	6.00%
(vi) Return on Asset	0%	0%
(vii) Remaining Working Life	13 years	13 years
(vii) Formula used	Projected Unit Credit Method	Projected Unit Credit Method

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

Particulars	Current Year	Previous Year
(i) Opening Net Liability	3.71	-
(ii) Expenses as above	0.63	0.57
(iii) Contributions	—	—
(iv) Closing Net Liability	0.38	1.60
Closing Fund/ Provision at the year end	3.45	3.71



ALFA TRANSFORMERS LIMITED

11. Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, (Pension and Group Scheme Department) for the year ended 31st March, 2013 have been made as below :

- i) In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees.
- ii) The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). Under the plan, the settlement obligation remains with the Company, although the Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the Company.
- iii) Annual premium payable to LIC amounting to Rs. 1.91 lakhs (Previous Year- Rs. 0.08 lakhs) have been shown under "Employee Benefit Expenses" in Schedule-22.
- iv) Disclosures as required by AS-15 (Revised) are made as per the details submitted by LIC which are given below :

a) Assumptions

Particulars	31-03-2013	31-03-2012
Discount Rate	8%	8%
Salary Escalation	7%	7%

b) Table Showing changes in present value of Obligation

Particulars	31-03-2013	31-03-2012
Present value of obligation as at beginning of the year	15.12	12.62
(i) Interest cost	1.21	1.01
(ii) Current Service cost	1.13	1.00
(iii) Benefits Paid	(6.55)	(1.59)
(iv) Actuarial gain/(loss) on obligation	(0.24)	2.09
Present value of obligation as at end of the year	10.67	15.12

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

Particulars	31-03-2013	31-03-2012
Fair value of plan assets at beginning of year	15.61	15.82
(i) Actual returns on plan assets	1.22	1.38
(ii) Contributions	1.81	
(iii) Benefits Paid	(6.55)	(1.59)
(iv) Actuarial gain/(loss) on plan assets	NIL	NIL
Fair value of plan assets at end of year	12.08	15.61

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d) Table Showing fair value of plan assets

Particulars	31-03-2013	31-03-2012
(i) Fair value of plan assets at beginning of year	15.61	15.82
(ii) Actual return of plan assets	1.22	1.38
(iii) Contributions	1.81	
(iv) Benefit Paid	(6.55)	(1.59)
(v) Fair value of plan assets at the end of year	12.08	15.61
(vi) Funded status	1.41	0.48
(vii) Excess of Actual over estimated return on plan assets	NIL	NIL

e) Actuarial Gain/Loss recognised as on

Particulars	31-03-2013	31-03-2012
(i) Actuarial (gain)/loss on obligations	0.24	(2.09)
(ii) Actuarial (gain)/loss for the year- plan assets	NIL	NIL
(iii) Total Actuarial (gain)/loss	(0.24)	2.09
(iv) Actuarial (gain)/loss recognized in the year	(0.24)	2.09

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

Particulars	31-03-2013	31-03-2012
(i) Present value of obligation at the end of year	10.67	15.12
(ii) Fair value of plan assets as at the end of the year	12.08	15.61
(iii) Fund status	1.41	0.48
(iv) Net asset/(liability) recognized in balance sheet	1.41	(0.48)

g) Expenses Recognized in statement of Profit and Loss

Particulars	31-03-2013	31-03-2012
(i) Current Service Cost	1.13	1.00
(ii) Interest Cost	1.21	1.01
(iii) Expected return on plan assets	(1.22)	(1.38)
(iv) Net Actuarial (gain)/ loss recognized in the year	(0.24)	2.09
(v) Expenses recognized in statement of Profit and loss	0.88	2.71

12. Capital Work in Progress of Rs.8.04 lakhs (Previous Year- Rs. 21.73 lakhs) disclosed under Note No. -10 includes Rs.Nil (Previous Year- Nil) being the borrowing cost/ Up-front Charges on Bank Borrowings for the Qualifying Assets in line with Accounting Standard 16 issued by The Institute of Chartered Accountants of India.
13. Trade Receivables, deposits and advance to parties include some old balances pending reconciliation/ adjustment/ confirmation. Efforts are being made for recovery/ reconciliation of such balances and resultant effect will be accounted for in the year of such adjustments.
14. Trade Receivables, includes deduction made towards liquidated damages/penalty amounting to Rs.130.93 lakhs, for which no provision is created in line with Accounting Policy No. 10.
15. In terms of Accounting Policy Note No. 25 (12), the Company assessed the Cash Generating Unit for Impairment Test using a discount rate of 8% and did not find any asset that requires a provision for impairment.
16. Operating Cycle is considered to be twelve months period.
17. Previous Year's Figures have been regrouped and re arranged wherever necessary.



ALFA TRANSFORMERS LIMITED

INDEPENDENT AUDITORS' REPORT

To the Members of Alfa Transformers Limited

We have audited the accompanying consolidated financial statements of Alfa Transformers Limited and its subsidiary (the Company) which comprise the consolidated balance sheet as at 31 March 2013, the consolidated statement of profit and loss and consolidated cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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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 consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India :

- (i) in the case of the consolidated balance sheet, of the state of affairs of the Company as at 31 March 2013;
- (i) in the case of the consolidated statement of profit and loss, of the loss for the year ended on that date; and
- (ii) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

For A. K. Sabat & Co.
Chartered Accountants
Firm Registration No. 321012E

(S.CHAND)

PARTNER

Membership No. 050063

Place : Bhubaneswar

Date : 29/05/2013


ALFA TRANSFORMERS LIMITED
**CONSOLIDATED FINANCIAL STATEMENTS
BALANCE SHEET AS AT 31ST MARCH 2013**

(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2013		As at 31st March 2012	
I. EQUITY AND LIABILITIES					
1 Shareholders' Funds					
(a) Share Capital	1	536.00		536.00	
(b) Reserves and Surplus	2	1208.11		1575.31	
			1744.11		2111.31
2 Share Application Money Pending Allotment			—		—
3 Non-Current Liabilities					
(a) Long-Term Borrowings	3	32.02		109.11	
(b) Deferred Tax Liabilities (Net)	4	112.89		112.89	
(c) Other Long Term Liabilities		—		—	
(d) Long-Term Provisions	5	10.16		9.42	
			155.07		231.42
4 Current Liabilities					
(a) Short-Term Borrowings	6	1035.03		1231.37	
(b) Trade Payables	7	483.90		408.12	
(c) Other Current Liabilities	8	288.68		461.67	
(d) Short-Term Provisions	9	1.98		2.26	
			1809.59		2103.42
TOTAL			3708.77		4446.15
II. ASSETS					
1 Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	10	1749.98		1837.03	
(ii) Intangible Assets	10	7.61		8.43	
(iii) Capital Work-in-Progress	10	8.04		21.73	
(iv) Intangible Assets under Development		—		—	
(b) Non-Current Investments	11	0.82		0.82	
(c) Long-Term Loans & Advances	12	51.06		87.83	
(d) Other Non-Current Assets -					
			1817.51		1955.84
2 Current assets					
(a) Current Investments	13	50.00		50.00	
(b) Inventories	14	805.39		1223.75	
(c) Trade Receivables	15	731.42		849.00	
(d) Cash and Cash equivalents	16	127.66		152.10	
(e) Short-Term Loans & Advances	17	176.79		215.46	
(f) Other Current Assets		—		—	
			1891.26		2490.31
TOTAL			3708.77		4446.15
SIGNIFICANT ACCOUNTING POLICIES	25				
ADDITIONAL NOTES ON ACCOUNTS	26				

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

FOR AND ON BEHALF OF THE BOARD

 FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS
S.CHAND
PARTNER
Membership No.050063
BHUBANESWAR
DATED : 29th May 2013

 DILLIP KUMAR DAS
DEEPAK KUMAR DAS
SUSANTA KU. SATAPATHY

 MANAGING DIRECTOR
DIRECTOR
COMPANY SECRETARY

Annual Report 2013
CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2013
(₹ in Lakhs)

Particulars	Note Number	For the year ended 31st March,2013	For the year ended 31st March,2012
I. Revenue from Operations	18	2147.88	1876.99
II. Other Income	19	14.72	31.04
III. Total Revenue (I + II)		2162.60	1908.03
IV. EXPENDITURE :			
Cost of Materials Consumed	20	1488.43	1255.12
Changes in Inventories of Finished Goods Work-in-Progress	21	164.14	21.26
Employee Benefits Expenses	22	136.27	129.46
Finance Costs	23	243.15	270.74
Depreciation and Amortization expense	10	91.50	89.91
Other Expenses	24	394.59	351.39
Total Expenses		2518.08	2117.88
V. Profit/(Loss) Before Exceptional and Extraordinary Items and Tax (III-IV)		(355.48)	(209.85)
VI. Exceptional Items		-	-
VII. Profit/(Loss) Before Extraordinary Items and Tax (V - VI)		(355.48)	(209.85)
VIII. Extraordinary Items		-	-
IX. Profit/(Loss) Before Tax (VII- VIII)		(355.48)	(209.85)
X Tax Expenses:			
(1) Current Tax		-	-
(2) Income Tax earlier year		(0.95)	-
(3) Deferred Tax Assets/(Liabilities) [Net]		-	(19.10)
XI Profit/(Loss) for the period (IX-X)		(356.43)	(228.95)
XII Earnings Per Equity Share (of face value ₹ 10/- each)			
(1) Basic & Diluted (in ₹)		(6.65)	(4.27)
SIGNIFICANT ACCOUNTING POLICIES	25		
ADDITIONAL NOTES ON ACCOUNTS	26		

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

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS

S.CHAND
PARTNER
Membership No.050063
BHUBANESWAR
DATED : 29th May 2013

DILLIP KUMAR DAS
DEEPAK KUMAR DAS
SUSANTA KU. SATAPATHY

MANAGING DIRECTOR
DIRECTOR
COMPANY SECRETARY



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Lakhs)

PARTICULARS	Year Ended 31-03-2013	Year Ended 31-03-2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Interest, Taxes & Extraordinary Items	(112.33)	60.90
Add :		
Depreciation	91.50	89.92
Bad Debts Written off/Provisions & Liquidated Damages etc.	102.57	37.32
Loss on sale / adjustment of assets	–	1.63
	81.74	189.77
Less :		
Interest Income	16.85	19.67
Foreign Exchange Gain/ (Loss) (Net)	(1.07)	11.66
Profit/ (Loss) on Sale of Assets & Discarded (Net)	1.35	–
Balances written back	8.43	5.30
Profit on Sale of Investment (Net)	–	3.60
Dividend Received	0.05	0.05
	25.62	40.28
Operating Profit / (Loss) before Working Capital Changes		
Capital Changes	56.12	149.49
Adjustment for;		
Inventories- Decrease/(Increase)	418.37	10.94
Trade & Other Receivables- Decrease/(Increase)	52.72	(58.66)
Trade Payables & Provisions- Decrease/ (Increase)	85.96	102.56
Cash Generated From Operations	613.17	204.33
Less: Income Tax(Paid)/Refunded	34.44	20.55
NET CASH FLOW FROM OPERATING ACTIVITIES	647.61	224.88
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions of Fixed Assets and Capital Work-in-Progress	(6.05)	(11.89)
Proceeds on Sale of Fixed Assets	6.82	–
Interest Received	16.85	19.67
Proceeds on Sale of Mutual Fund	–	41.10
Dividend Received	0.05	0.05
(Increase)/ Decrease in Fixed Deposit	32.25	(4.62)
NET CASH FLOW FROM INVESTING ACTIVITIES	49.92	44.31

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CONSOLIDATED FINANCIAL STATEMENTS

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Lakhs)

PARTICULARS	Year Ended 31-03-2013	Year Ended 31-03-2012
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase/ (decrease) in secured borrowings	(443.84)	4.97
Repayments of Loans	(2.72)	(2.72)
Payment of Interest	(243.15)	(270.73)
NET CASH FLOW FROM FINANCING ACTIVITIES	(689.71)	(268.48)
Net Increase in cash and cash equivalents(A+B+C)	7.82	0.71
Cash and cash equivalents as on 31-03-2012	9.19	8.48
CASH & CASH EQUIVALENTS AS ON 31-03-2013	17.01	9.19
Cash and Cash Equivalents comprises		
— Cash	2.38	2.45
— Balance with Schedule Banks (*)	14.62	6.74
[* Includes Dividend Account of Rs. 3.32 lakhs (Previous year- Rs.3.31 lakhs)]		
	17.01	9.19

Note :

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

THE SCHEDULES REFERRED ABOVE FORM PART OF ACCOUNTS

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO

CHARTERED ACCOUNTANTS

S.CHAND

DILLIP KUMAR DAS

MANAGING DIRECTOR

PARTNER

Membership No.050063

DEEPAK KUMAR DAS

DIRECTOR

BHUBANESWAR

DATED : 29th May 2013

SUSANTA KU. SATAPATHY

COMPANY SECRETARY



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

1. SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March 2013		As at 31st March 2012	
	No. of Shares in lakhs	Amount	No. of Shares in lakhs	Amount
Authorised Share Capital				
Equity Shares of Rs. 10/- Each	120.00	1200.00	120.00	1200.00
Issued , Subscribed & Paid up:				
Equity Shares pf Rs. 10/- each fully paid up	53.60	536.00	53.60	536.00
Total	53.60	536.00	53.60	536.00

Details of Shareholders holding more than 5% shares :

(₹ in Lakhs)

Name of Shareholders	As at 31st March 2013		As at 31st March 2012	
	No. of Shares in lakhs	Amount	No. of Shares in lakhs	% held
Dillip Kumar Das	10.09	18.82%	8.08	15.08%
Industrial Designs & Services Limited	4.85	9.06%	4.85	9.06%
Galaxy Medicare Limited	3.80	7.09%	3.80	7.09%
Strategic Venture Fund (Mauritius) Limited	7.44	13.88%	8.00	14.93%
K Shiva Kumar	2.81	5.25%	—	—

2. RESERVES AND SURPLUS

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
a. Capital Reserves		
State Investment Subsidy		
Opening Balance as per Last Balance Sheet	9.92	9.92
Add : Current Year Transfer	—	—
Less : Written Back in Current Year	—	—
Closing Balance	9.92	9.92
b. Share Premium Account		
Opening Balance as per Last Balance Sheet	983.70	983.70
Add : Current Year Transfer	—	—
Less : Written Back in Current Year	—	—
Closing Balance	983.70	983.70
c. General Reserve		
Opening Balance as per Last Balance Sheet	600.00	600.00
Add : Transferred to Profit and Loss Account	—	—
Closing Balance	600.00	600.00
d. Revaluation Reserve		
Opening Balance as per Last Balance Sheet	102.66	113.44
Less : Transferred to Profit and Loss Account	(10.77)	(10.78)
Closing Balance	91.89	102.66
e. Profit and Loss Account		
Opening Balance as per Last Balance Sheet	(120.97)	107.98
Less : Loss for the year	(356.43)	(228.95)
Closing Balance	(477.40)	(120.97)
Total	1208.11	1575.31

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CONSOLIDATED FINANCIAL STATEMENTS

3. LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
SECURED LOAN		
a. Term Loans		
From State Bank of India	—	41.59
From Axis Bank Limited	32.02	67.52
	32.02	109.11
UNSECURED LOAN	—	—
Total	32.02	109.11

Terms and Conditions Secured Term Loans as set out below :

Particulars	SBI Term Loan-I	SBI WCTL	Axis Bank Term Loan
Period of maturity with reference to Balance Sheet date	12 Months	11 Months	24 Months
Number of Instalments outstanding as at 31st March, 2013	4 Quarterly	11 Months	24 Months
Outstanding Amount of Instalments as at 31st March, 2013	22.50	79.00	67.02
Rate of Interest	Base Rate Plus 4.75%	Base Rate Plus 5.50%	Base Rate Plus 6.00%
Amount of default and period of default	NIL	NIL	NIL

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

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

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

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

4. DEFERRED TAX LIABILITY (Net)

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
I. Deferred Tax Liability :		
Related to Fixed Assets	(136.78)	(126.56)
	(136.78)	(126.56)
II. Deferred Tax Assets :		
Timing Difference for various items restricted	23.89	13.66
III. Deferred Tax Liability (Net) (I+II)	(112.89)	(112.89)

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



5. LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
(a) Provision for Employee benefits		
Gratuity (Non-funded) *	8.69	7.98
Leave Encashment (Non-Funded)	1.47	1.44
Total	10.16	9.42

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

6. SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
SECURED LOAN		
a. Working Capital Loan		
From State Bank of India	791.98	1010.49
From Axis Bank Limited	243.05	220.88
	1035.03	1231.37
UN-SECURED LOAN		
Loan From Phoneix Surgicare Private Limited	—	—
	—	—
Total	1035.03	1231.37

Disclosure :

Particulars	State Bank of India Cash Credit	Axis Bank Ltd Cash Credit
Period of maturity with reference to Balance Sheet date	Renewal every year	Renewal every year
Outstanding amount as at 31st March,2013	791.98	243.05
Rate of Interest	Base Rate Plus 4.75%	Base Rate Plus 6%
Overdue amount and Period	Nil	Nil

7. TRADE PAYABLE

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
a) Trade Payables	468.84	384.92
b) Others	15.06	23.20
Total	483.90	408.12

7.1 Trade Payables includes Rs. 39.86 lakhs (Previous Year-Rs.37.76 lakhs) due to Micro,Small and Medium Enterprises based on available information with the Company details of which as follows :

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Principal amount due and remaining unpaid	38.42	36.98
Interest due on above and the unpaid interest	1.44	0.78
Interest paid during the year	—	—
Payment made beyond the appointed day during the year	—	—
Interest due and payable for the period of delay	1.44	0.78
Interest accrued and remaining unpaid	1.44	0.78
Amount of further interest remaining due and payable in succeeding years.	—	—

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

8. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
(a) Current maturities of long-term debt *	136.50	309.63
(b) Interest accrued and due on borrowings	5.29	5.42
(c) Unpaid dividends	3.32	3.31
(d) Creditors for Capital Goods	2.91	7.03
(e) Other Liabilities		
i. Advance from Customers	67.36	63.36
ii. Advance against Sale of Land	15.00	–
iii. Statutory Liabilities	29.57	30.12
iv. Liabilities for Expenses	20.20	26.29
v. Payable to employees	8.53	16.51
Total	288.68	461.67

* Details of Current Maturities of Long Term Debt :

a. Term Loans		
From State Bank of India	101.50	282.91
From Axis Bank Limited	35.00	24.00
b. Vehicle Loan from Bank		
From Axis Bank Limited	–	2.72
Total	136.50	309.63

9. SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March'2013	As at 31st March'2012
(a) Provision for employee benefits		
Leave Encashment (Non-Funded)	1.98	2.26
Total	1.98	2.26



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

10. FIXED ASSETS

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NETBLOCK			
	Cost as at 31-03-2012	Additions during the year	Sale/adjustment during the year	Cost as at 31-03-2013	Up to 31-03-2012	For the Period	On Sale/adjustment during the year	Up to 31-03-2013	As at 31-03-2013	As at 31-03-2012
TANGIBLE ASSETS :										
Land	277.32	—	—	277.32	—	—	—	—	277.32	269.16
Office Building	68.97	—	—	68.97	12.05	2.16	—	14.21	54.77	56.92
Factory Shed	479.61	—	—	479.61	175.30	18.57	—	193.87	285.74	304.31
Main Plant & Machinery	1308.84	13.91	14.00	1308.75	354.50	61.06	13.92	401.63	907.12	954.33
Testing Equipments	107.15	0.05	—	107.20	42.22	4.35	—	46.56	60.64	64.94
Material Handling Equipments	142.93	0.08	—	143.00	61.01	4.78	(0.05)	65.84	77.17	81.92
Electrical Installations	80.61	0.15	—	80.76	30.79	2.92	—	33.71	47.05	49.81
Energy saving Devices	2.00	—	—	2.00	1.97	—	—	1.97	0.03	0.03
Auxiliary Equipments	11.80	—	4.70	7.10	10.89	0.33	4.60	6.62	0.49	0.91
Office Equipments	15.07	0.46	—	15.53	9.90	0.58	—	10.48	5.05	5.18
Computers	13.46	0.31	—	13.77	10.00	1.40	—	11.40	2.37	3.47
Furniture & Fixture	13.10	—	—	13.10	6.64	0.47	—	7.11	5.99	6.46
Vehicle	47.72	4.80	8.26	44.26	16.91	4.81	3.45	18.28	25.99	30.81
Motor-Cycle & Cycle	0.96	—	0.46	0.50	0.34	0.04	0.15	0.23	0.26	0.62
Total -A	2569.55	19.75	27.43	2561.87	732.51	101.46	22.07	811.90	1749.98	1828.87
INTANGIBLE ASSETS :										
Technical Knowhow	9.78	—	—	9.78	1.94	0.46	—	2.40	7.38	7.85
Software	2.29	—	—	2.29	1.72	0.34	—	2.06	0.22	0.58
Total -B	12.07	—	—	12.07	3.65	0.81	—	4.46	7.61	8.43
Capital Work-in-Progress	21.74	0.22	13.91	8.04	—	—	—	—	8.04	21.73
Total -C	21.74	0.22	13.91	8.04	—	—	—	—	8.04	21.73
TOTAL- CURRENT YEAR	2603.36	19.97	41.34	2581.98	736.17	102.27	22.07	816.37	1765.63	1859.02
Previous year	2596.10	126.61	119.36	2603.35	638.09	100.69	2.62	736.16	1867.19	1958.00
Particulars	As at 31-03-2013			As at 31-03-2012						
Depreciation				102.27		100.69				
Less : Transferred to Revaluation Reserve				(10.77)		(10.78)				
Total				91.50		89.91				

The Gross Block of Fixed Assets includes Rs.368.43 Lakhs on account of revaluation of Fixed Assets carried out on 31.10.1999. Consequent to the said revaluation there is an additional charge of depreciation of Rs. 10.77 lakhs (Previous year- Rs.10.78 lakhs) during the year and an equivalent amount has been withdrawn from Revaluation Reserve and Credited to the Profit and Loss Account. This has no impact on profit for the year.

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11. NON-CURRENT INVESTMENTS (Valued at Cost) (₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Long Term Investments : (Unquoted,at cost)		
<u>I. Trade Investments</u>		
a) 15,000 Equity Shares of Rs.10/- each in Taloja Conductors Pvt. Ltd.	1.50	1.50
Less : Written off / Provision for permanent diminution of value	1.35 0.15	1.35 0.15
<u>II. Other Investments</u>		
a) 5000 Equity Shares of Rs.10/- each with a premium of Rs.3/- each in Utkal Infrastructure Consortium (P) Ltd.	0.65	0.65
b) National Savings Certificates (*)	0.02	0.02
Total	0.82	0.82

* Lodged with Sales Tax authorities as securities

12. LONG TERM LOANS AND ADVANCES (₹ in Lakhs) (Un secured and Considered Good)

Particulars	As at 31st March 2013	As at 31st March 2012
a) Security Deposits	19.03	25.74
b) Advance Income Tax/refundable (Net of Provision)	7.17	42.55
c) Sales Tax Deposits	24.86	19.54
Total	51.06	87.83

13. CURRENT INVESTMENTS [Valued at Cost] (₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
(A) Investment in Bonds Other than Trade (Unquoted)		
6.25% Rural Electrification Corporation Limited Capital Gain Bonds (500 Units of Rs.10000/- each)	50.00	50.00
Total	50.00	50.00

14. INVENTORIES (*) (₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Indigenous Raw materials & Components	249.68	442.53
Imported Raw materials & Components	124.39	185.25
Semi-finished goods	220.18	486.08
Finished goods	209.34	107.58
Raw-Materials in Transit	1.80	1.64
Discarded Assets	—	0.67
Total	805.39	1223.75

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

**15. TRADE RECEIVABLES**

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured - Considered Good	84.98	315.72
- Considered Doubtful	60.05	21.47
	145.03	337.19
Less: Provision for doubtful debts	60.05	21.47
	84.98	315.72
Trade receivables outstanding for a period less than six months from the date they are due for payment		
— Considered Good	646.44	533.28
	646.44	533.28
Total	731.42	849.00

16. CASH AND BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
A) Cash and Cash Equivalents		
a) Balances with banks		
i) In Current Account	11.30	3.43
b) Cash on hand	2.38	2.45
B) Other Bank balances		
i) In Deposits Account (#)	110.66	142.91
ii) In earmarked Account		
- Unpaid dividend account	3.32	3.31
Total	127.66	152.10

(#) Deposit account includes Margin Money kept with Bank for opening of Letter of Credit and Bank

Guarantees :

Maturing within 3 Months	32.53	—
Maturing between 3 and 12 Months	73.28	138.06
Maturity period more than 12 Months	4.85	4.85

17. SHORT TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Deposit with Custom & Central Excise Authorities	96.64	139.42
Earnest Money and Security Deposits	24.42	19.53
Deposit with Sales Tax Authority	0.39	0.29
Advance to suppliers, staff and others*	7.72	29.73
Export Benefit Receivable	27.35	—
Interest accrued on Term Deposits	5.79	15.88
Prepaid Expenses	14.48	10.61
Total	176.79	215.46

* Includes :

a) Loans and Advances due by Directors or other officers of the Company	—	0.97
b) Loans and Advances due by private companies in which a director is a member.	0.15	0.16

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18. REVENUE FROM OPERATION :

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Sale of products		
Sales (Domestic)	1815.05	2002.73
Sales (Export)	397.88	16.35
Sale of services		
Repairing Services	2.96	34.22
Project Consultancy Services-Export	82.90	—
Other operating revenues	45.86	10.56
	2344.65	2063.86
Less: Excise duty	196.77	186.87
Total	2147.88	1876.99

19. OTHER INCOME :

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Interest Income	11.04	16.65
Dividend Income	0.05	0.05
Foreign Exchange Fluctuations (Net)	2.28	10.74
Gain on Sale of Investments (Net)	—	3.60
Gain on Sale of Assets (Net)	1.35	—
Total	14.72	31.04

20. COST OF MATERIALS CONSUMED :

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Indigenous:-		
Opening Stock	442.53	339.23
Purchases	1110.02	950.41
	1552.55	1289.64
Closing Stock	249.68	442.53
Sub Total-A	1302.88	847.11
Imported :-		
Opening Stock	185.25	231.13
Purchases	124.69	362.13
	309.94	593.26
Closing Stock	124.39	185.25
Sub Total-B	185.55	408.01
Total Consumption (A+B)	1488.43	1255.12

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

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Opening Stocks :		
Finished Goods	107.58	92.94
Stock-in- Process	486.08	521.98
	593.66	614.92
Less : Closing Stocks		
Finished Goods	209.34	107.58
Stock-in- Process	220.18	486.08
	429.52	593.66
(Accretion)/Depletion of Stocks	164.14	21.26



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22. EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Salaries, Wages and Incentives	120.35	117.40
Contributions to Provident ,E.S.I and Gratuity *	13.83	11.43
Staff welfare expenses	2.09	0.63
Total	136.27	129.46

* Includes Rs.0.35 lakhs during the current year (Previous year- Rs.1.92 lakhs) pertaining to Contract Labour.

23. FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Interest expenses		
Interest on Term Loans	37.04	60.79
Interest on Working Capital Loans	170.80	149.79
Other borrowing costs	35.31	60.16
Total	243.15	270.74

24. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
A MANUFACTURING EXPENSES		
1 Job Work Charges	64.06	70.52
2 Power & Fuel	41.76	45.81
3 Testing Expenses	2.93	14.67
4 Research & Development Expenses	—	2.85
5 Factory Rent	7.26	7.26
6 Excise Duty on increase/decrease of stock	(0.59)	3.57
Total-A	115.42	144.68
B REPAIRS AND MAINTENANCE		
1 Repairs to machinery	6.36	9.84
2 Repairs to Building	4.39	5.92
3 Repairs to Vehicles	8.93	9.04
4 Repairs to Others	1.00	1.62
Total-B	20.68	26.42
C SELLING AND DISTRIBUTION EXPENSES		
1 Selling Expenses	15.98	15.02
2 Sales Commission	24.98	11.04
3 Carriage Outward	50.98	50.63
4 Taxes and Duties	6.18	4.11
5 Bad Debt Written off	23.03	15.84
6 Liquidated Damages	25.70	—
7 Provision for Doubtful Debts	53.35	21.47
Total-C	200.20	118.11
D ADMINISTRATIVE EXPENSES		
1 Travelling Expenses	17.57	14.26
2 Printing & Stationery	1.58	2.04
3 Insurance Charges	5.65	7.37
4 Advertisement Expenses	1.44	3.94
5 Postage and Telephone Charges	4.62	4.87
6 Auditors Remuneration	1.70	1.55
7 Fees and Subscription	5.77	5.97
8 Legal & Professional Fees	7.16	5.38
9 Security Service Charges	10.14	9.49
10 Rent	0.41	0.32
11 General Expenses	3.56	4.29
12 Books and Periodicals	0.14	0.10
13 Meeting Expenses	0.63	1.38
14 Registrar's Fees	0.25	0.26
Total-D	60.61	61.22
E OTHER EXPENSES		
1 Loss on sale of Assets (Net)	—	1.63
2 Prior Year Adjustment (Net)	(2.32)	(0.67)
Total-E	(2.32)	0.96
Total	394.59	351.39

CONSOLIDATED FINANCIAL STATEMENTS

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

A. 1 REVENUE RECOGNITION

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

2 FIXED ASSETS

- i. Fixed Assets other than those which have been revalued are stated at cost which includes all direct expenses including attributable borrowing cost incurred up to the date of installation of assets less accumulated depreciation (other than "Leasehold Land" where no depreciation is charged).
- ii. Revalued assets are shown at the revalued cost less accumulated depreciation as per the Accounting policy no. 3(ii).
- iii. Discarded fixed assets are de-capitalized and included under inventories at 5% of value of assets being estimated realizable value.
- iv. The cost of fixed assets not ready for use before such date are disclosed under capital work-in-progress.

3 DEPRECIATION

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

4 BORROWING COST :

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

5 INVESTMENT

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

6 INVENTORIES

- i. Stock of Raw Materials, Components and stores are valued at lower of cost and net realizable value . Cost of raw material is determined on weighted average method, excluding CENVAT paid on purchases. Scrap is valued at estimated realisable value.
- ii. Stock of Materials-in-Process and Finished Goods are valued at lower of cost and net realizable value. Cost excludes CENVAT paid on inputs but includes excise duty payable on completion of manufacture of the Finished Goods.

7 FOREIGN CURRENCY TRANSACTION

- i. Receipts and Payments are recorded at actual rates prevailing on the date of transaction.
- ii. Balances in the form of Current Assets and Current Liabilities (including for procurement of Fixed Assets) in



CONSOLIDATED FINANCIAL STATEMENTS

foreign currency, outstanding at the close of the year, are converted (in Indian Currency) at the appropriate rates of exchange prevailing on the date of Balance Sheet and the resultant loss or gain is taken to exchange variation account which gets charged in or credited to the Profit and Loss Account.

- iii. Forward Exchange Contracts not intended for trading or speculation purpose : The premium or discount arising at the inception of forward exchange contracts is amortized as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the statement of profit and loss on the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expense for the year.

8 RESEARCH AND DEVELOPMENT

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

9 EMPLOYEE BENEFITS

(i) Short Term Employee Benefits:

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

(ii) Defined Contribution Plans.

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

(iii) Defined Benefits Plans

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

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

10 LIQUIDATED DAMAGES

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

11 TAXATION :

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

12 IMPAIRMENT OF ASSETS

- (a) The Company has one product which is manufactured in and sold from its factories located at Bhubaneswar and Vadodara and accordingly entire Company is treated as Cash Generation Unit for carrying out Impairment Test.
- (b) Estimated future net inflows are made on the basis of estimated growth in volumes considering the expected growth of power industry based on current trends and the rise in input and other costs on past experiences.

13 PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS.

- (a) The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
- (b) Liabilities contingent upon happening of future event are disclosed by way of a note in the accounts. Claims against the Company where a demand has been raised by any authority or disputed in arbitration are recognized as Contingent Liability, if contested.
- (c) Contingent assets are not recognized.
- (d) Provision is made regarding disputed statutory levies only when the appeal is decided by the Appellate Tribunal.

NOTE NO.26 ADDITIONAL NOTES ON ACCOUNT :

1. RAW MATERIALS AND COMPONENTS CONSUMED :

Items	2012 - 13			2011 - 12		
	Qty (MT)	Value (Rs. In lakhs)	%	Qty (MT)	Value (Rs. In lakhs)	%
INDIGENOUS :						
Conductors	114.141 MT	280.18	19	108.907 MT	206.84	16
Steel Materials	93.365 MT	49.35	3	155.859 MT	53.79	4
Core Lamination	189.996 MT	291.56	20	41.740 MT	67.63	5
Transformer Oil	414.360KL	225.70	15	436.689KL	264.43	21
Others		456.10	31		254.42	21
Sub Total	811.862	1302.89	88	743.195	847.11	67
IMPORTED :						
CRGO Steel	33.330 MT	43.17	3	26.177 MT	44.49	4
AMDT Core	106.070 MT	140.38	9	272.766 MT	340.55	27
Conductors	0.541 MT	2.03	0	5.588 MT	21.23	2
Others	—	—	—	—	1.74	—
Sub Total	139.941	185.58	12	304.531	408.01	33
Total	951.803	1488.47	100	1047.726	1255.12	100

2. PAYMENT TO AUDITORS:

(₹ in Lakhs)

SR No	Particulars	2012 - 13	2011 - 12
i.	Audit Fees	1.50	1.25
ii.	Taxation matters	—	0.20
iii.	Other services	0.15	0.10
	TOTAL	1.65	1.55

3. EARNING PER SHARE :

(₹ in Lakhs)

SR No	Particulars	2012 - 13	2011 - 12
i.	Profit/(Loss) available to Equity Share Holders (Rs. In lakhs)	(356.43)	(228.95)
ii.	Weighted Average number of equity shares for Basic EPS in lakhs	53.60	53.60
iii.	Nominal Value of Equity Shares in Rs.	10.00	10.00
iv.	Basic and diluted Earning Per Equity Share in Rs	(6.65)	(4.27)

4. CIF VALUE OF IMPORTS

(₹ in Lakhs)

SR No	Particulars	2012 - 13	2011 - 12
i.	Raw Material and Components	116.76	341.48

5. EXPENDITURE IN FOREIGN CURRENCY

(₹ in Lakhs)

SR No	Particulars	2012 - 13	2011 - 12
i.	Travelling	1.65	0.63

6. EARNING IN FOREIGN CURRENCY

(₹ in Lakhs)

SR No	Particulars	2012 - 13	2011 - 12
i.	Export on FOB Basis (Direct)	259.81	111.29
ii.	Project Export/Consultancy Services	295.47	—



7. RELATED PARTY DISCLOSURES

(₹ in Lakhs)

Name	Nature of Transactions	2012 - 13	2011 - 12
a) Related Companies			
Industrial Designs & Services Ltd	Job Work	7.85	7.32
Oricon Industries Limited	Job Work	37.93	16.40
Galaxy Medicare Limited	Loan taken	28.77	—
Galaxy Medicare Limited	Purchase & Sale of Raw materials	0.17	0.56
Phoneix Surgicare (P) Ltd (wholly owned subsidiary Company)	Advances	0.38	0.16
Alfa Electricals & Co	Loan taken	5.00	—
D.K.Das & Sons (HUF)	Factory Rent	7.08	—
	Loan taken	12.22	—
b) Key Management Personnel			
Dillip Kumar Das	Remuneration	14.99	14.66
Deepak Kumar Das	Remuneration	8.00	7.99
Debasis Das	Remuneration	8.00	7.72
Santosh Kumar Pattnaik	Remuneration	7.86	8.00
Santosh Kumar Pattnaik	Travelling Expenses	—	1.33

8. CONTINGENT LIABILITIES & COMMITMENTS

(₹ in Lakhs)

SR No	Particulars	2012 - 13	2011 - 12
A. Contingent Liabilities			
i.	Un expired Letters of Credit	223.66	91.04
ii.	Counter Guarantees for Bank Guarantees issued	261.39	282.46
iii.	Claims against the Company not acknowledged as Debt		
	a) Income Tax	17.62	11.85
	b) Sales Tax (*)	30.54	31.84
	c) Entry Tax (#)	91.01	25.21
	d) Excise	1.06	1.06
		625.29	443.46
B. Commitments			
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for.	—	—
TOTAL		625.29	443.46

* Amount paid under protest against the demands amounting to Rs. 20.66 lakhs is shown under Long-term Loans and Advances under Note No.12

Amount paid under protest against the demands amounting to Rs.4.20 lakhs which is shown under "Long Term Loans and Advances under Note no.12

9. SEGMENT REPORTING :

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

(₹ in Lakhs)

Particulars of Sale of	Within India		Outside India		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Transformer	1815.05	2002.73	397.88	16.35	2212.93	2019.08
Project Export/Consultancy	—	—	82.90	—	82.90	—
Repairing/Service Charges	2.96	34.22	—	—	2.96	34.22
Total	1818.01	2036.95	480.78	16.35	2298.79	2053.30

CONSOLIDATED FINANCIAL STATEMENTS

10. Disclosure relating to Leave Encashment - As per Actuarial Valuation on 31st March,2013

a) Table Showing Changes in Present Value of Obligations :

Particulars	Current Year	Previous Year
Present value of obligation as at beginning of the year	3.71	3.89
(i) Acquisition Adjustments	—	—
(ii) Interest cost	0.27	0.30
(iii) Past Service cost	—	—
(iv) Current Service cost	0.63	0.40
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Benefits Paid	(0.63)	(0.75)
(viii) Actuarial gain/ loss on Obligation	(0.52)	(0.13)
Present value of obligation as at end of the year	3.45	3.71

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

Particulars	Current Year	Previous Year
(i) Current Service Cost	0.63	0.40
(ii) Past Service Cost	—	—
(iii) Interest Cost	0.27	0.30
(iv) Expected Return on Plan Asset	—	—
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Actuarial gain/ loss on Obligation	(0.52)	(0.13)
Expenses Recognized in Statement of Profit and Loss Account	0.38	0.57

c) Table Showing Actuarial Assumptions :

Particulars	Current Year	Previous Year
(i) Mortality Table	LICI 1994-1996	LICI 1994-1996
(ii) Superannuation Age	58	58
(iii) Early Retirement & Disablement	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29
(iv) Discount Rate	8.50%	8.50%
(v) Inflation Rate	6.00%	6.00%
(vi) Return on Asset	0%	0%
(vii) Remaining Working Life	13 years	13 years
(vii) Formula used	Projected Unit Credit Method	Projected Unit Credit Method

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

Particulars	Current Year	Previous Year
(i) Opening Net Liability	3.71	-
(ii) Expenses as above	0.63	0.57
(iii) Contributions	—	—
(iv) Closing Net Liability	0.38	1.60
Closing Fund/ Provision at the year end	3.45	3.71



11. Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, (Pension and Group Scheme Department) for the year ended 31st March, 2013 have been made as below :

- i) In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees.
- ii) The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). Under the plan, the settlement obligation remains with the Company, although the Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the Company.
- iii) Annual premium payable to LIC amounting to Rs. 1.91 lakhs (Previous Year- Rs. 0.08 lakhs) have been shown under "Employee Benefit Expenses" in Schedule-22.
- iv) Disclosures as required by AS-15 (Revised) are made as per the details submitted by LIC which are given below :

a) Assumptions

Particulars	31-03-2013	31-03-2012
Discount Rate	8%	8%
Salary Escalation	7%	7%

b) Table Showing changes in present value of Obligation

Particulars	31-03-2013	31-03-2012
Present value of obligation as at beginning of the year	15.12	12.62
(i) Interest cost	1.21	1.01
(ii) Current Service cost	1.13	1.00
(iii) Benefits Paid	(6.55)	(1.59)
(iv) Actuarial gain/(loss) on obligation	(0.24)	2.09
Present value of obligation as at end of the year	10.67	15.12

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

Particulars	31-03-2013	31-03-2012
Fair value of plan assets at beginning of year	15.61	15.82
(i) Actual returns on plan assets	1.22	1.38
(ii) Contributions	1.81	
(iii) Benefits Paid	(6.55)	(1.59)
(iv) Actuarial gain/(loss) on plan assets	NIL	NIL
Fair value of plan assets at end of year	12.08	15.61

CONSOLIDATED FINANCIAL STATEMENTS

d) Table Showing fair value of plan assets

Particulars	31-03-2013	31-03-2012
(i) Fair value of plan assets at beginning of year	15.61	15.82
(ii) Actual return of plan assets	1.22	1.38
(iii) Contributions	1.81	
(iv) Benefit Paid	(6.55)	(1.59)
(v) Fair value of plan assets at the end of year	12.08	15.61
(vi) Funded status	1.41	0.48
(vii) Excess of Actual over estimated return on plan assets	NIL	NIL

e) Actuarial Gain/Loss recognised as on

Particulars	31-03-2013	31-03-2012
(i) Actuarial (gain)/loss on obligations	0.24	(2.09)
(ii) Actuarial (gain)/loss for the year- plan assets	NIL	NIL
(iii) Total Actuarial (gain)/loss	(0.24)	2.09
(iv) Actuarial (gain)/loss recognized in the year	(0.24)	2.09

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

Particulars	31-03-2013	31-03-2012
(i) Present value of obligation at the end of year	10.67	15.12
(ii) Fair value of plan assets as at the end of the year	12.08	15.61
(iii) Fund status	1.41	0.48
(iv) Net asset/(liability) recognized in balance sheet	1.41	(0.48)

g) Expenses Recognized in statement of Profit and Loss

Particulars	31-03-2013	31-03-2012
(i) Current Service Cost	1.13	1.00
(ii) Interest Cost	1.21	1.01
(iii) Expected return on plan assets	(1.22)	(1.38)
(iv) Net Actuarial (gain)/ loss recognized in the year	(0.24)	2.09
(v) Expenses recognized in statement of Profit and loss	0.88	2.71

12. Capital Work in Progress of Rs.8.04 lakhs (Previous Year- Rs. 21.73 lakhs) disclosed under Note No. -10 includes Rs.Nil (Previous Year- Nil) being the borrowing cost/ Up-front Charges on Bank Borrowings for the Qualifying Assets in line with Accounting Standard 16 issued by The Institute of Chartered Accountants of India.
13. Trade Receivables, deposits and advance to parties include some old balances pending reconciliation/ adjustment/ confirmation. Efforts are being made for recovery/ reconciliation of such balances and resultant effect will be accounted for in the year of such adjustments.
14. Trade Receivables, includes deduction made towards liquidated damages/penalty amounting to Rs.130.93 lakhs, for which no provision is created in line with Accounting Policy No. 10.
15. In terms of Accounting Policy Note No. 25 (12), the Company assessed the Cash Generating Unit for Impairment Test using a discount rate of 8% and did not find any asset that requires a provision for impairment.
16. Operating Cycle is considered to be twelve months period.
17. Previous Year's Figures have been regrouped and re arranged wherever necessary.

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

DIRECTOR'S REPORT

Your Directors are pleased to present their Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2013.

1. FINANCIAL RESULTS:

The Company has not started any activities yet. However, an expenditure of Rs.37562.00/- has been incurred towards Audit fees, filing fees, professional fees, printing & stationeries and Rs.5, 00,000 was received towards advance for sale of Land.

2. DIVIDEND

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

3. DIRECTORS

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

4. DIRECTOR'S RESPONSIBILITY STATEMENT

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

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

5 STATUTORY INFORMATION:

PARTICULARS OF EMPLOYEES:

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

6 AUDITOR'S AND THEIR REPORT

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

M/s B.Panda & Co., Statutory Auditors will retire at the conclusion of the ensuing Annual General Meeting and being providing his unwillingness to re-appointment and M/s Goutam & Co. Chartered Accountants, Bhubaneswar offers & eligible for appointment are being appointed.

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

Disclosure of particulars with respect to details regarding Technology absorption, Conservations of Energy, Foreign Exchange Earnings and Outgo as required under Companies (Disclosure of particulars in the Report of Directors) Rules 1988 and forming part of the Report of the Board of Directors for the period ended 31st March, 2013 is given below:

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

8. SECRETARIAL COMPLIANCE CERTIFICATE:

As per the provisions to sub-section (1) of section 383A, of the Companies Act, 1956, we are hereby attaching the Secretarial Compliance Certificate for the year 2012-2013 duly certified by a Company Secretary in whole time practice, forming a part of the Director's Report.

10. ACKNOWLEDGEMENT :

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

FOR AND ON BEHALF OF THE BAORD

Sd/-

**Date : 19th April, 2013.
Place : Bhubaneswar**

**(Deepak Kumar Das)
Chairman**

PHOENIX SURGICARE PRIVATE LIMITED

(Wholly owned Subsidiary Company)

COMPLIANCE CERTIFICATE

CIN. No. : **U70100OR2004PTC011535**

Nominal Capital : ₹ **10,000,000/-**

To
The Members,
M/s. Phoenix Surgicare Private Limited.
Plot No-3337
M. I. Industrial Estate
Bhubaneswar
Odisha-751010

We have examined the registers, records, books and papers of **M/s. Phoenix Surgicare Private Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ending on **31st March 2013**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its Officers and agents, we certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in **Annexure-'A'** to this certificate as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure-'B'** to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being Private Limited Company has the minimum prescribed paid-up capital and its maximum number of members during the financial year was within the limit excluding its present and past employees and the Company during the year under scrutiny:
 - i. has not invited public to subscribe for its shares or debentures; and
 - ii. has not invited or accepted any deposits from persons other than its members, directors or their relatives.
4. The Board of Directors duly met 4 (Four) times in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes book maintained for the purpose.
5. The Company has closed Register of Members and transfer books from 09th May, 2012 (Wednesday) to 17th May, 2012 (Thursday) during the financial year as per Section 154 of the Companies Act 1956.
6. The Annual General Meeting for the financial year ended on **31st March, 2012** was held on **17th May 2012** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year ended 31st March 2013.
8. The Company being a private company, section 295 of the Act is not applicable.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approval from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial Year.
13. The Company has
 - (i) not allotted any shares or securities and there was no lodgment of transfer during the period under scrutiny.
 - (ii) not declared any dividend during the financial year.
 - (iii) not declared any dividend so posting of dividend warrant does not arise during the financial year
 - (iv) not required to transfer any amounts as there is no money remains due for refund on unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - (v) duly complied with requirement of section 217 of the Act.
14. The Board of Directors of the Company duly constituted. There was no appointment of Additional Director, Alternate Directors and Directors during the financial year. However Mr. Ajit Kumar Ray director of the Company resigned from the Board on 01st August, 2012.
15. The Company has not appointed any Managing Director, Whole Time Director, Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

17. The Company was not required to obtain any approval of the Central Govt. Company Law Board, Regional Director, Registrar and such Authorities prescribed under the various provision of the Act during the financial year.
18. The Directors have disclosed their interest in other firms, Companies to the Board of Directors pursuant to the provision of the Act and the rules made there under.
19. The Company has not issued any shares or securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. Since there are no preference shares or debentures, the question of redemption does not arise.
22. There were no transactions necessitating the Company to keep in abeyance the right to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited, accepted, any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The Company has not made any borrowing during the financial year ended 31st March, 2013.
25. As per the information and explanation given to us, the Company has granted unsecured loans & advances amounting ₹ 5.00 Lakhs to M/s Alfa Transformers Ltd, in compliance with the provisions of the Act and has made necessary entries in the registrar kept for the purpose. However at the end of the financial year the outstanding loans & advances amount is ₹ 4.46 Lakhs.
26. The Company has not altered the provision of the Memorandum with respect to situation of the Companies registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provision of the Memorandum with respect to the object of the Company during the year under scrutiny.
28. The Company has not altered the provision of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provision of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or a show-cause notice received by the Company and no fines or penalty or any other punishment was imposed on the Company during the financial year for offenses under the Act.
32. The Company has not received any security from its employees during the financial year.
33. As per information given to us by the Management, the Company has not required to deposit any amount under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

For Saroj Ray & Associates
(Company Secretaries)

Date : 19.04.2013
Place : Bhubaneswar

CS Saroj Kumar Ray, FCS
(Partner)
C.P.No.3770

Annexure – A

REGISTERS AS MAINTAINED BY THE COMPANY

Statutory Registers:

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

Annexure - B

**FORMS & RETURNS AS FILED BY THE COMPANY WITH REGISTRAR OF COMPANIES
DURING THE FINANCIAL YEAR ENDING 31ST MARCH 2013.**

Sl. No.	Form No.	Relevant Section	Description	Date of Filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes/No
1	23AC	220(1)	Balance Sheet (As on 31.03.12)	01.12.12	Yes	Na
2	20B	159(1)	Annual Return (Upto 17.05.12).	05.09.12	No	Yes
3	66	383A	Compliance Certificate (Upto 31.03.12)	05.09.12	No	Yes
4	32	303(2)	Resignation of Mr. Ajit Kumar Ray	18.08.12	Yes	Na
5	23B	224(1A)	Information by Auditor to ROC (For the Year 2012-13)	03.08.12	Yes	Na

PHOENIX SURGICARE PRIVATE LIMITED

(Wholly owned Subsidiary Company)

INDEPENDENT AUDITORS' REPORT

To the Members of M/S PHOENIX SURGICARE PRIVATE LIMITED

Report on Financial Statements

We have audited the accompanying financial statements of M/S PHOENIX SURGICARE PRIVATE LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss of the Company for the year ended on that date 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 of the Company in accordance with the Accounting Standards referred to in Subsection (3C) of Section 211 of the Companies Act, 1956. 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 misstatements.

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

Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- ii) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 ("the Order"), we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required under provisions of section 227(3) of the Companies Act, 1956, 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 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 dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - e. on the basis of the written representations received from the Directors as on March 31, 2013 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2013 from being appointed as a Director in terms of Section 274(1)(g) of the Companies Act, 1956;
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For and on behalf of
B. PANDA & COMPANY
CHARTERED ACCOUNTANTS

Place: Bhubaneswar
Date : April 19, 2013

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

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

Annexure to the Independent Auditors' Report
Re: M/S PHOENIX SURGICARE PRIVATE LIMITED ("the Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) During the year, in our opinion, a substantial part of fixed assets has not been disposed off by the Company.
- (ii) The Company has not holds any Inventories.
- (iii)(a) According to information and explanations given to us, the Company has granted unsecured loans amounting to Rs. 5.00 lakhs to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, Rate of interest, other terms and conditions are prima facie not prejudicial to the interest of the Company.
- (b) The Company has not taken any unsecured loan from companies & other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company. Further, on the basis of our examination, we have neither come across nor have we been informed of any instance of major weakness in the aforesaid internal control systems.
- (v)(a) According to the information and explanations provided by Management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered into the register maintained under Section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five Lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company, including the records prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 for the products of the Company, and are of the opinion that prima facie the prescribed cost records have been maintained and are being made up. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) The Company has accumulated losses at the end of the financial year ending 31.03.2013. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (x) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution, bank or to debenture holders during the year.
- (xi) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xii) 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 Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not dealer or trader in securities. Accordingly, the

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- provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xiv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xv) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (xvii) During the year the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xviii) The Company did not have any outstanding debentures during the year.
- (xix) The Company has not raised any money through public issue during the year.
- (xx) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the Management.

For and on behalf of
B. PANDA & COMPANY
CHARTERED ACCOUNTANTS

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

Place: Bhubaneswar
Date : April 19, 2013

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2013		As at 31st March 2012	
I. EQUITY AND LIABILITIES					
1 Shareholders' Funds					
(a) Share Capital	1	1,242,000		1,242,000	
(b) Reserves and Surplus	2	(485,474)		(447,912)	
			756,526		794,088
2 Share Application Money Pending Allotment			—		—
3 Non-Current Liabilities					
(a) Long-Term Borrowings		—		—	
(b) Deferred Tax Liabilities (Net)		—		—	
(c) Other Long Term Liabilities		—		—	
(d) Long-Term Provisions		—		—	
			—		—
4 Current Liabilities					
(a) Short-Term Borrowings	3	—		16,360	
(b) Trade Payables		—		—	
(c) Other Current Liabilities	4	520,000		15,000	
(d) Short-Term Provisions		—		—	
			520,000		31,360
TOTAL			1,276,526		825,448
II. ASSETS					
1 Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	7	816,798		816,798	
(b) Non-Current Investments		—		—	
(c) Long-Term Loans and Advances		—		—	
(d) Other Non-Current Assets		—		—	
			816,798		816,798
2 Current assets					
(a) Current Investments		—		—	
(b) Inventories		—		—	
(c) Trade Receivables		—		—	
(d) Cash and Cash equivalents	5	13,611		8,650	
(e) Short-Term Loans and Advances	6	446,117		—	
(f) Other Current Assets		—		—	
			459,728		8,650
TOTAL			1,276,526		825,448
SIGNIFICANT ACCOUNTING POLICIES & ADDITIONAL NOTES ON ACCOUNTS	9 & 10				

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

FOR AND ON BEHALF OF THE BOARD

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

DEEPAK KUMAR DAS

DIRECTOR

(B.N.PANDA)
PROPRIETOR
Membership No.52974
BHUBANESWAR
DATED :April 19,2013

DEBASIS DAS

DIRECTOR

Annual Report 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013 (₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March,2013	For the year ended 31st March,2012
I. Revenue from Operations		—	—
II. Other Income		—	—
III. Total Revenue (I + II)		—	—
IV. EXPENDITURE :			
Cost of Materials Consumed		—	—
Changes in Inventories of Finished Goods			
Work-in-Progress		—	—
Employee Benefits Expenses		—	—
Finance Costs		—	—
Depreciation and Amortization expense		—	—
Other Expenses		—	—
Total Expenses	8	37562	22949
V. Profit/(Loss) Before Exceptional and Extraordinary Items and Tax (III-IV)		(37562)	(22949)
VI. Exceptional Items		—	—
VII. Profit/(Loss) Before Extraordinary Items and Tax (V - VI)		(37562)	(22949)
VIII. Extraordinary Items		—	—
IX. Profit/(Loss) Before Tax (VII- VIII)		(37562)	(22949)
X Tax Expenses:			
(1) Current Tax		—	—
(2) Deferred Tax Assets/(Liabilities) [Net]		—	—
XI Profit/(Loss) for the period (IX-X)		(37562)	(22949)
XII Earnings Per Equity Share:			
(1) Basic & Diluted		(0.30)	(0.18)
SIGNIFICANT ACCOUNTING POLICIES 9 & 10 & ADDITIONAL NOTES ON ACCOUNTS			

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

FOR AND ON BEHALF OF THE BOARD

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

DEEPAK KUMAR DAS DIRECTOR

(B.N.PANDA)
PROPRIETOR
Membership No.52974
BHUBANESWAR
DATED :April 19,2013

DEBASIS DAS DIRECTOR

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

1. SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March 2013		As at 31st March 2012	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of Rs. 10/- Each	1,000,000	10,000,000	1,000,000	10,000,000
Issued , Subscribed & Paid up:				
Equity Shares pf Rs. 10/- each fully paid up	124,200	1,242,000	124,200	1,242,000
Total	124,200	1,242,000	124,200	1,242,000

1.1

(₹ in Lakhs)

Particulars	As at 31st March 2013		As at 31st March 2012	
	Number	Amount	Number	% held
Shares outstanding at the beginning of the year	124,200	1,242,000	124,200	1,242,000
Shares issued during the year	—	—	—	—
Shares brought back during the year	—	—	—	—
Shares outstanding at the end of the year	124,200	1,242,000	124,200	1,242,000

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

1.3 Details of Shareholders holding more than 5% shares :

(₹ in Lakhs)

Particulars	As at 31st March 2013		As at 31st March 2012	
	Number	% held	Number	% held
Alfa Transformers Limited	124,200	100%	124,200	100%

2. RESERVES AND SURPLUS

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Profit and Loss Account :		
Opening Balance as per Last Balance Sheet	(447,912)	(424,963)
Less : Loss for the year	(37,562)	(22,949)
Closing Balance	(485,474)	(447,912)

3. SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Unsecured Loans - Advance from related parties		
From Alfa Transformers Limited	—	16,360
	—	16,360

4. SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
a. Advance for Sale of Land	500,000	—
b. Audit Fees Payable	20,000	15,000
	520,000	15,000

Annual Report 2013

5. CASH AND BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Balance With Banks	13,311	8,350
Cash on Hand	300	300
	13,611	8,650

6. SHORT TERM LOANS AND ADVANCES

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
a. Loans and Advance to related parties	446,117	—
Alfa Transformers Limited	446,117	—

7. FIXED ASSETS

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Cost as at 31-3-2012	Additions during the year	Cost as at 31-03-2013	Up to 31-03-2012	For the Year	Up to 31-03-2013	As at 31-03-2013	As at 31-03-2012
TANGIBLE ASSETS :								
Land at Nashik	816,798	—	816,798	—	—	—	816,798	816,798
TOTAL-CURRENT YEAR	816,798	—	816,798	—	—	—	816,798	816,798
Previous year	816,798	—	816,798	—	—	—	816,798	816,798

8. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Auditors' Remuneration	5,000	5,000
Filing Fees	8,000	6,360
Bank Charges	550	11,589
Legal and Professional Fees	24,012	—
TOTAL	37,562	22,949

NOTE NO-9 :SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL NOTES ON ACCOUNTS :

1 PREPARATION OF FINANCIAL STATEMENTS

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

2 REVENUE RECOGNITION

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

3 FIXED ASSETS/DEPRECIATION

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

4 TAXATION

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

PHOENIX SURGICARE PRIVATE LIMITED

(Wholly owned Subsidiary Company)

5 PROVISIONS AND CONTINGENT LIABILITIES

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

NOTE NO- 10: Notes on Financial Statements for the Year ended 31st March, 2013

- 1 Contingent Liabilities not provided for - Rs. Nil (Previous Year- Nil)
- 2 The Company is the subsidiary Company of M/s. Alfa Transformers Limited, which holds 99.92% Equity Shares of the Company.
- 3 There is no dues to Micro, Small and Medium Enterprises. The Liability has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied by the auditors.
- 4 The Company has no operation activities during the financial year ended 31st March, 2013 , So no operating cycle is considered.

5. PAYMENT TO AUDITORS

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Payment to Auditors as :		
Audit Fees	5,000	5,000
	5,000	5,000

6. EARNING PER SHARE :

(₹ in Lakhs)

Particulars	As at 31st March 2013	As at 31st March 2012
Profit/(loss) available to Equity Shares Holders	(37,562)	(22,949)
Weighted Average number of Equity Shares for Basic EPS	124,200	124,200
Nominal and diluted Earning Per Shares	1,242,000	1,242,000
Basic and Diluted Earning Per Equity Shares	(0.30)	(0.18)

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

THE SCHEDULES REFERRED ABOVE FORM PART OF ACCOUNTS

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR M/s. B.PANDA & COMPANY

CHARTERED ACCOUNTANTS

DEEPAK KUMAR DAS

DIRECTOR

(B.N.PANDA)

PROPRIETOR

Membership No.52974

DEBASIS DAS

DIRECTOR

BHUBANESWAR

DATED :April 19,2013



ALFA TRANSFORMERS LIMITED

ATTENDANCE SLIP

ALFA TRANSFORMERS LIMITED

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

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

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

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

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

NAME AND ADDRESS OF THE MEMBER:

No.of Share(s) held :

I hereby record my presence at the 31st Annual General Meeting of the Company held on Saturday, the 10th day of August, 2013 at 12.30 P.M. at Hotel "The New Marrion", 6, Janpath, Bhubaneswar– 751001.

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

NOTE:

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

TEAR HEAR

PROXY FORM

ALFA TRANSFORMERS LIMITED

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

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

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

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

I/We, _____ of _____

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

..... As my/our proxy to vote for me/us and on my/our behalf at the 31st Annual General Meeting of the company to be held on Saturday, the 10th day of August, 2013 at 12.30 P.M. at Hotel "The New Marrion, 6, Janpath, Bhubaneswar – 751001.

Affix Re. 1/-
Revenue
Stamp

* Applicable for investors holding shares in electronic form.

NOTE:

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



ALFA TRANSFORMERS LIMITED




IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700026, Phone: (033) 40724051 to 53, Fax : (033) 40724054, e-mail:mcssta@rediffmail.com. RTA of the Company. Please furnish the data as per the format given below :

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

**FORM A**

(Pursuant to Clause 31(a) of Listing Agreement)

1.	Name of the Company:	Alfa Transformers Ltd.
2.	Annual financial statements for the year ended	31st March 2013
3.	Type of Audit observation	Un-qualified/
4.	Frequency of observation	N.A.
5.	To be signed by- • Managing Director: Mr. Dillip Kumar Das • CFO (Director Finance): Mr. Deepak Kumar das • Auditor of the company: Refer to our Audit Report dated 29.05.2013 on the standalone Financial Statement of the Company For A.K. Sabat & Co. Chartered Accountants Firm Reg.No.:321012E Siddhantha chand (S. Chand) PARTNER Membership No:050063 • Audit Committee Chairman: Mr. S.K Nanda	  



FORM A
(Pursuant to Clause 31(a) of Listing Agreement)

1.	Name of the Company:	Alfa Transformers Ltd.
2.	Annual financial statements for the year ended	31st March 2013
3.	Type of Audit observation	Un-qualified/
4.	Frequency of observation	N.A.
5.	To be signed by- • Managing Director: Mr. Dillip Kumar Das • CFO (Director Finance): Mr. Deepak Kumar das • Auditor of the company: Refer to our Audit Report dated 29.05.2013 on the Consolidated Financial Statement of the Company For A.K. Sabat & Co. Chartered Accountants Firm Reg.No.:321012E Siddhantha chand (S. Chand) PARTNER Membership No:050063 • Audit Committee Chairman: Mr. S.K Nanda	