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15th ANNUAL REPORT

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transformers &
rectifiers (india) ltd

ISO 9001:2000 CERTIFIED

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Transformers & Rectifiers (India) Limited

Board of Directors

Mr. Jitendra U. Mamtora
Chairman & Managing Director

Mr. Satyen J. Mamtora
Joint Managing Director

Mrs. Karuna Mamtora
Executive Director

Mr. Bhaskar Sen
Director (JMD till 31st Oct, 08)

Mr. Michael Homawalla
Director

Mr. Rajendra Shah
Director

Mr. Harish Rangwala
Director

Mr. Sureshchandra Agarwal
Director

Mr. Rahul Shah
Chief Financial Officer

Mr. Tushar Shah
Company Secretary

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.
(Formerly Known as Intime Spectrum Registry Limited)
C-13, Pannalal Silk Mills Compound
LBS Road, Bhandup (West),
Mumbai 400 078, India

Auditors

C. C. Chokshi & Co.
Chartered accountants
Heritage, Nr.Gujarat Vidhyapith,
Ahmedabad-380 014.

Plants

1. Survey No. 344-350, Opp. P.W.D. Stores, Village: Changodar, Ahmedabad
2. Plot No.233, GVMSAV Ltd., Odhav, Ahmedabad
3. Survey No.427/3/p, Village Moraiya, Ahmedabad

Audit Committee

Mr. Jitendra U. Mamtora *Chairman*
Mr. Michael Homawalla *Member*
Mr. Harish Rangwala *Member*
Mr. Sureshchandra Agarwal *Member*
(w.e.f 22nd Oct, 08)

Shareholders' Grievance Committee

Mr. Rajendra Shah *Chairman*
Mr. Bhaskar Sen *Member*
Mr. Satyen Mamtora *Member*

Remuneration Committee

Mr. Sureshchandra Agarwal, *Chairman*
Mr. Michael Homawalla *Member*
Mr. Harish Rangwala *Member*

Registered Office/Plant

Survey No.344-350, Opp. PWD Stores,
Sarkhej-Bavla Highway, Village : Changodar
Taluka : Sanand, District : Ahmedabad-382213
Gujarat.
Email : info@transformerindia.com
Website : www.transformerindia.com

Bankers

State Bank of India
Bank of Baroda
Axis Bank

Listing

The Bombay Stock Exchange Ltd.
National Stock Exchange of India Ltd.

ISIN

INE763I01018



VISION

To consolidate our National and International presence as a leading manufacturer of Power, Furnace and Rectifier Transformers and maintain an average annual growth rate of 50%

MISSION

To emerge as a preferred solution provider for quality Transformers with a team of dedicated professionals and business associates who are ethical, value driven and create excellent customer relationships.



NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of the members of Transformers & Rectifiers (India) Limited will be held on Wednesday, 15th July, 2009 at 11.00 a.m. at the Survey No. 344-350, Opp. PWD Stores, Sarkhej-Bavla Highway, Village: Changodar, Taluka Sanand, Ahmedabad-382213, Gujarat, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a director in place of Mr. Bhaskar Sen, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Sureshchandra Agarwal, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint M/s. C. C. Chokshi & Co., Chartered Accountants, Ahmedabad, as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass without modification(s), the following resolution as a Ordinary Resolution:-

“RESOLVED THAT in supersession of resolution passed at the Extra Ordinary General Meeting of the Company held on 13th August, 2007, the consent of the Company be and is hereby accorded in terms of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors of the Company for borrowing from time to time any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 1,000 crore.”

7. To consider and if thought fit, to pass without modification(s), the following resolution as a Ordinary Resolution:-

“RESOLVED THAT in supersession of resolution passed at the Extra Ordinary General Meeting of the Company held on 13th August, 2007 and pursuant to Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit in favour of Banks/Financial Institutions, other investing agencies and holders of other instruments to secure rupee / foreign currency loans (hereinafter collectively referred to as “Loans”) provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, shall not, at any time exceed the limit of Rs. 1,000 crore.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.”

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

“RESOLVED THAT, pursuant to the provisions of Section 198,309,310 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII thereof, consent of the Company be and is hereby accorded to the revision in terms of remuneration payable to Mrs. Karuna Mamtora, Executive Director of the Company, with effect from 1st April, 2009, as set out in the Explanatory Statement annexed hereto, for the remaining period of her tenure.



RESOLVED FURTHER THAT, in the event of absence or inadequacy of net profits for the financial year, the salary and perquisites as set out in the Explanatory Statement annexed hereto, shall be treated as the minimum remuneration payable to Mrs. Karuna Mamtara, Executive Director of the Company.

FURTHER RESOLVED THAT Board of Directors be and are hereby authorized to take such steps as may be necessary to give effect to this Resolution.”

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

“**RESOLVED THAT**, pursuant to the provisions of Section 198,309,310 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII thereof, consent of the Company be and is hereby accorded to the revision in terms of remuneration payable to Mr. Satyen Mamtara, Joint Managing Director of the Company, with effect from 1st April, 2009, as set out in the Explanatory Statement annexed hereto, for the remaining period of his tenure.

RESOLVED FURTHER THAT, in the event of absence or inadequacy of net profits for the financial year, the salary and perquisites as set out in the Explanatory Statement annexed hereto, shall be treated as the minimum remuneration payable to Mr. Satyen Mamtara, Joint Managing Director of the Company.

FURTHER RESOLVED THAT Board of Directors be and are hereby authorized to take such steps as may be necessary to give effect to this Resolution.”

Place : Ahmedabad
Date : 28th April, 2009

By Order of the Board of Directors

Tushar Shah
Company Secretary

Registered Office :

Survey No : 344-350, Opp. P.W.D. Stores, Sarkhej Bavla Highway,
Village: Changodar, Taluka: Sanand, District: Ahmedabad-382 213

Notes :

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must reach the registered office of the Company not less than 48 hours before the scheduled commencement of the meeting.
- A brief profile of the directors retiring by rotation and eligible for re-appointment is furnished as per Clause 49 of the Listing Agreement.
- Register of Members and Share Transfer Books of the Company will be remain closed from Saturday, 11th July, 2009 to Wednesday, 15th July, 2009 (both days inclusive), for the purpose of dividend, if declared at the Annual General Meeting.
- The dividend on shares as recommended by the Board of Directors, if declared at the meeting, will be paid:
 - in respect of shares held in demat form, on the basis of beneficial ownership as per details furnished by the depositories, as at the end of the business day on Friday, 10th July, 2009 and
 - in respect of shares held in physical form to those members whose names appear on the Registers of Members of the Company after giving effect to all valid share transfer lodged with the share transfer agent on or before Friday, 10th July, 2009.
- In case of any change of particulars including address, bank mandate and nomination for shares held in demat form, should be notified only to the respective Depository Participants where the member has opened their demat account. The Company or its share transfer agent will not act on any direct request from these members for change of such details. However requests for any change in particulars in respect of shares held in physical form should be sent to the Registrars & Share Transfer Agents of the Company.
- Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Tushar Shah, Company Secretary, at the Company's Registered Office. Members are requested to note that dividends not encashed or claimed within seven years from date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund as per Section 205A of the Companies Act, 1956, Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
- Members holding shares in demat form may please note that the bank account details given by them to their Depository Participants (DPs) and on to the Company by such DPs would be printed on the dividend warrants of the concerned members. However, if any member(s) wants to receive dividend in any other bank account details with his/her concerned DP. The Company will not be able to act on any such request from shareholders directly for deletion /change in the bank account details.



- Members may please note that the dividend warrants are payable at par at the designated branches of the Bank printed on the reverse of the dividend warrant for an initial period of three months only. Thereafter, the dividend warrant on revalidation is payable only at limited centres/ branches of the said bank. The member are therefore, advised to encash dividend warrants within the initial validity period.
- Members who wish to attend the meeting are requested to bring attendance slip sent herewith, duly filled in, and the copy of the annual report. Copies of the annual report will not be distributed at the meeting.

Place : Ahmedabad
Date : 28th April, 2009

By Order of the Board of Directors

Tushar Shah
Company Secretary

Registered Office :

Survey No : 344-350, Opp. P.W.D. Stores, Sarkhej Bavla Highway,
Village: Changodar, Taluka: Sanand, District: Ahmedabad-382 213

ITEM NO. 6 & 7

Under Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of a Company cannot, except with the consent of the Company in general meeting, borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the company, that is to say, reserves not set apart for any specific purpose.

Taking into consideration the requirements of additional funds to meet the future capital expenditure and long term working capital needs of the Company, it is expected that the limit, as sanctioned by the shareholders is likely to be exceeded. The consent of the Shareholders is therefore, sought in accordance with the provisions of Section 293(1)(d) of the Companies Act, 1956, to enable the Directors to borrow monies to the extent of Rs.1,000 crore.

The proposed borrowings of the Company need to be secured by way of charge/ mortgage/ hypothecation on the Company's assets in favour of the lenders. As the documents to be executed between the lenders and the Company, it is necessary to pass a resolution under Section 293(1)(a) of the Companies Act, 1956, for creation of charges/ mortgages/ hypothecations for an amount not exceeding the borrowing limit of Rs. 1,000 crore.

The proposed resolutions are in the interest of the Company and your Directors commend the Resolutions in Item Nos. 6 & 7 of the Notice for acceptance of the members.

None of the Directors are interested in the resolutions at Item Nos. 6 and 7 of the accompanying Notice.

ITEM NO. 8

The Board of Directors at their meeting held on 28th April, 2009 had approved the revision in the remuneration payable to Mrs. Karuna Mamtora, Executive Director of the Company, with effect from 1st April, 2009, till her remaining period of appointment.

The revision in remuneration was made keeping in mind her contribution made to the growth and development of the company, as well as the compensation package prevalent in the Industry.

She will be entitled to the following remuneration:

- (a) Salary Rs. 100,000/- p.m.
- (b) Perquisites : In addition to the salary & performance incentive, the following perquisites shall be allowed to the Executive Director and the total value of perquisites shall be restricted to an amount equal to the annual salary.

CATEGORY - "A"

- I) Housing :
The Company shall provide furnished accommodation to the Executive Director. If the Executive Director is having his own accommodation, the Company shall pay house rent allowance at the rate of Rs. 20,000/- per month, subject to a limit of 20% of her salary.



The Company shall provide equipments and appliances, furniture, fixtures and furnishing, including maintenance of all, at the residence of the Executive Director at the entire cost of the Company.

The Company shall reimburse the expenses of gas, electricity, water etc. The expenditure on these, valued in accordance with the Income-tax Rules, shall not exceed 10% of the salary.

- ii) Medical Reimbursement :
Medical Expenses actually incurred for self and family shall be reimbursed by the Company under the Mediclaim policy.
- iii) Leave Travel Concession :
The Company shall provide leave travel fare for the Executive Director and her family once in a year, any where in the world, as per the Rules applicable to the Company.
- iv) Personal Accident Insurance :
The Company shall pay Personal Accident Insurance upto Rs. 10,000/- per annum.
- v) Club Fee :
The Company shall pay and / or Reimburse Fees and Expenses (excluding admission and Life membership fees) of clubs, subject to a maximum of two clubs.

CATEGORY - “B”

- i) The Company shall contribute towards Provident Fund/Superannuation Fund/ Annuity Fund provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the Income-tax Act.
- ii) The Company shall pay Gratuity at the rate not exceeding half month's salary for each completed year of service.
- iii) Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per rules of the Company.

The perquisite under this Category shall not be included in the computation of ceiling on remuneration.

CATEGORY - “C”

1. The Company shall provide a Car with Driver at the entire cost of the Company for use for the business of the Company.
2. The Company shall provide telephone including mobile phone at the residence of the Executive Director at the entire cost of the Company.
3. The Executive Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. She shall, however, be reimbursed the actual travelling, lodging and boarding expenses incurred by her for attending meetings of the Board of Directors and/or committees thereof.
4. The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Managing Director and other Executive Directors of the Company taken together. Provided, however, that in the event of absence or inadequacy of profit, the Executive Director shall be entitled to remuneration mentioned under (a) above and perquisites as above within the minimum remuneration specified in Schedule XIII to the Companies Act, 1956.
5. In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company.
6. The Executive Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company.
7. “Family” means the spouse, dependent children and dependent parents of Executive Director.
8. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.



Any and All expenditure actually and properly incurred on Company's business shall be reimbursed to the Executive Director. She shall however not be entitled to any Sitting Fees.

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

The Board recommends the resolution for the approval of shareholders. Except Mrs. Karuna Mamtara, herself and Mr. Jitendra Mamtara and Mr. Satyen Mamtara, relative of her, none of the other Directors are interested or concerned in this resolution.

ITEM NO. 9

The Board of Directors at their meeting held on 28th April, 2009 had approved the revision in the remuneration payable to Mr. Satyen Mamtara, Joint Managing Director of the Company, with effect from 1st April, 2009, till his remaining period of appointment.

The revision in remuneration was made keeping in mind his contribution made to the growth and development of the company, as well as the compensation package prevalent in the Industry.

He will be entitled to the following remuneration:

- (a) Salary Rs. 400,000/- p.m.
- (b) Performance Incentive : In addition to the salary, he will also be entitled to performance incentive payment up to an amount equivalent to a maximum of 50% of his gross annual salary computed as per (a) above. This will be in addition to the salary, perquisites and allowances payable for the period of his appointment as may be determined by the Board of Directors of Company. This will start from 2009-2010 on year to year basis until further resolved.
- (c) Perquisites : In addition to the salary & performance incentive, the following perquisites shall be allowed to the Joint Managing Director and the total value of perquisites shall be restricted to an amount equal to the annual salary.

CATEGORY - "A"

I) Housing :

The Company shall provide furnished accommodation to the Joint Managing Director. If the Joint Managing Director is having his own accommodation, the Company shall pay house rent allowance at the rate of Rs. 80,000/- per month, subject to a limit of 20 % of his salary.

The Company shall provide equipments and appliances, furniture, fixtures and furnishing, including maintenance of all, at the residence of the Joint Managing Director at the entire cost of the Company.

The Company shall reimburse the expenses of gas, electricity, water etc. The expenditure on these, valued in accordance with the Income-tax Rules, shall not exceed 10% of the salary.

- ii) Medical Reimbursement :
Medical Expenses actually incurred for self and family shall be reimbursed by the Company under the Medclaim policy.
- iii) Leave Travel Concession :
The Company shall provide leave travel fare for the Joint Managing Director and his family once in a year, any where in the world, as per the Rules applicable to the Company.
- iv) Personal Accident Insurance :
The Company shall pay Personal Accident Insurance upto Rs. 20,000/- per annum.
- v) Club Fee :
The Company shall pay and / or Reimburse Fees and Expenses (excluding admission and Life membership fees) of clubs, subject to a maximum of two clubs.



CATEGORY - “B”

- i) The Company shall contribute towards Provident Fund/Superannuation Fund/Annuity Fund provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the Income-tax Act.
- ii) The Company shall pay Gratuity at the rate not exceeding half month's salary for each completed year of service.
- iii) Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per rules of the Company.

The perquisite under this Category shall not be included in the computation of ceiling on remuneration.

CATEGORY - “C”

1. The Company shall provide a Car with Driver at the entire cost of the Company for use for the business of the Company.
2. The Company shall provide telephone including mobile phone at the residence of the Joint Managing Director at the entire cost of the Company.
3. The Joint Managing Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. He shall, however, be reimbursed the actual travelling, lodging and boarding expenses incurred by him for attending meetings of the Board of Directors and/or committees thereof.
4. The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Managing Director and other Executive Directors of the Company taken together. Provided, however, that in the event of absence or inadequacy of profit, the Joint Managing Director shall be entitled to remuneration mentioned under (a) above and perquisites as above within the minimum remuneration specified in Schedule XIII to the Companies Act, 1956.
5. In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company.
6. The Joint Managing Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company.
7. “Family” means the spouse, dependent children and dependent parents of Joint Managing Director.
8. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.

Any and All expenditure actually and properly incurred on Company's business shall be reimbursed to the Joint Managing Director. He shall however not be entitled to any Sitting Fees.

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

The Board recommends the resolution for the approval of shareholders. Except Mr. Satyen Mamtora, himself and Mr. Jitendra Mamtora and Mrs. Karuna Mamtora, relative of him, none of the other Directors are interested or concerned in this resolution.



**INFORMATION OF DIRECTORS WHO ARE PROPOSED TO BE
RE-APPOINTED AS PER CLAUSE 49**

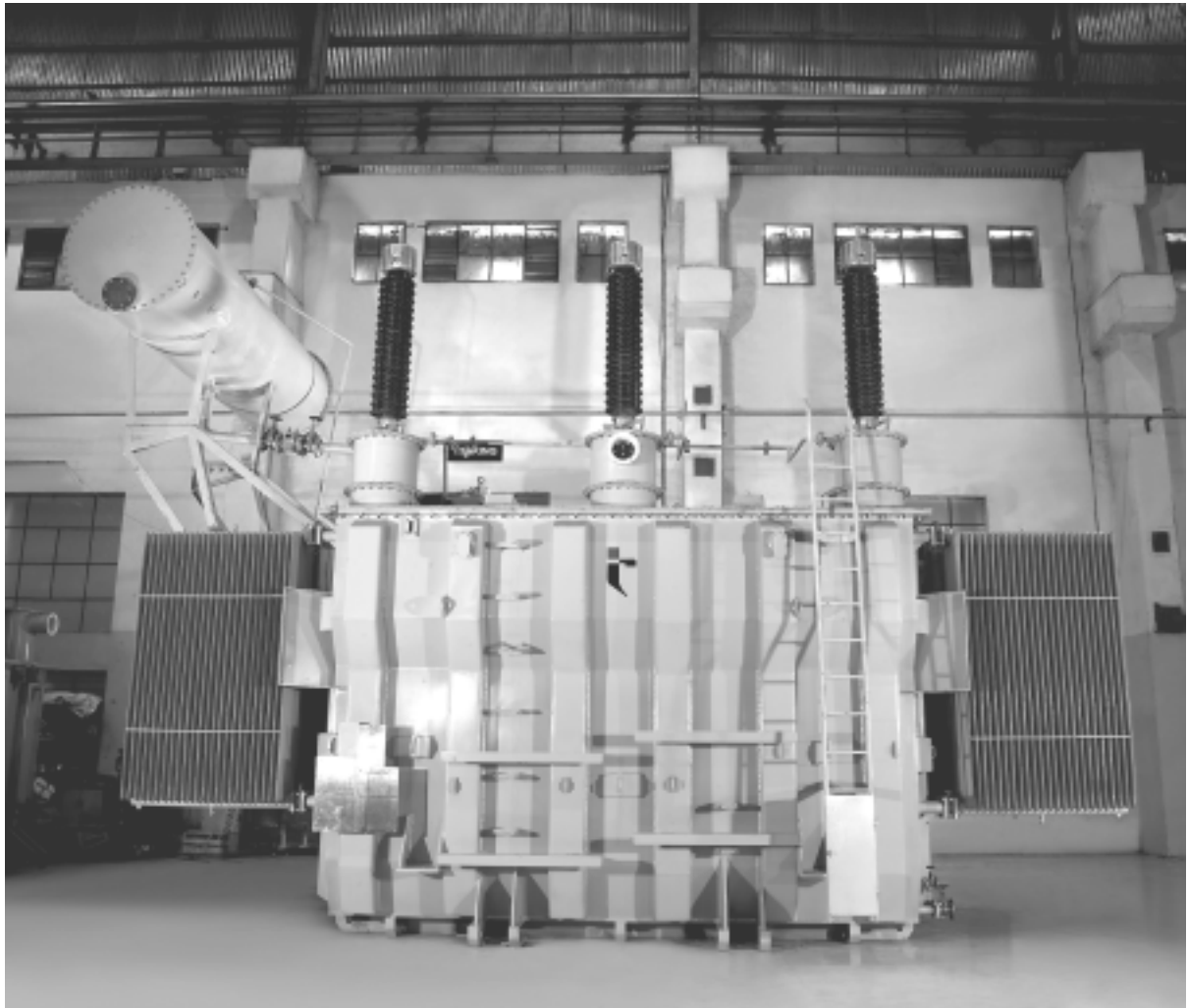
1. Mr. Bhsakar Sen

Brief Resume and his Expertise	List of other Directorship*
Mr. Bhsakar Sen, 68 years, is the Director of our Company. He holds a Bachelor's degree in Mechanical Engineering from Jadavpur University. Mr. Sen has over 45 years of experience in overall management of business relating to switchgears, transformers, motor projects, REC equipments, etc. and has previously worked in various organisations including GEC Alstom in various capacities such as Executive Director of the AIR Control Division, Executive Director in charge of Development, Executive Director for EHV Switchgear, Executive Director for Planning and Co-ordination, Business Unit Head- Motors, with EMCO Transformers as an Executive Director; with Andrew Yule limited as the Chief Executive of the Electrical Division, and with Marsons Limited as Chief Executive. He was appointed as Joint Managing Director on 9.7.2007 and oversees all the production and marketing operations in our Company. However, he ceased to be JMD w.e.f. 31.10.2009 and continue as Director designated as Non-Executive and Non-Independent Director of the Company.	Not Applicable
Chairman/Membership of the Committees of the Board of the other Company(ies), on which he is a Director	Not Applicable
Date of Appointment	9 th July, 2007
No. of Shares held in the Company	Nil

2. Mr. Sureshchandra Agarwal

Brief Resume and his Expertise	List of other Directorship*
Mr. Sureshchandra Agarwal, 58 years, is a Non- Executive, and Independent Director of our Company. He holds a Bachelor's Degree with Honours in Mechanical Engineering from Agra University and Mr. Agarwal has over 34 years of experience in the metal recovery and petroleum refining industry including. He is currently the Managing Director of Mahagujarat Smelting Company Pvt. Ltd.	1. Mahagujarat Smelting Company Pvt. Ltd.
Chairman/Membership of the Committees of the Board of the other Company(ies), on which he is a Director	Not Applicable
Date of Appointment	13 th August, 2007
No. of Shares held in the Company	Nil

**Including private companies*





DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 15th Annual Report on the business and operations together with the Audited accounts for year ended 31st March, 2009.

The performance of the Company for the year ended on March 31, 2009 is summarized below.

(Rupees in Lacs)

Financial Results	Standalone		Consolidated	
	2008-2009	2007-2008	2008-2009	2007-2008
Turnover	42,507.76	30,186.97	43,049.88	30,570.55
Other Income	1,040.05	576.82	1,080.81	590.77
Total Income	43,547.81	30,763.79	44,130.69	31,161.32
EBIDTA	7,507.72	6,096.51	7,861.11	6,412.87
Interest & Finance charges	691.58	765.66	747.90	810.86
Depreciation & Amortization	251.51	196.42	280.37	215.44
Profit before tax	6,564.63	5,134.43	6,832.84	5,386.57
Taxation	2,152.72	1,824.17	2,253.16	1,864.55
Net Profit after tax	4,411.91	3,310.26	4,579.68	3,522.02
Minority Interest	NA	NA	56.09	61.69
Net Profit after tax and minority interest	4,411.91	3,310.26	4,523.59	3,460.33
Appropriations:				
Proposed Dividend	516.94	258.47	516.94	269.02
Tax on Dividend	83.36	42.06	90.54	45.72
Transferred to General Reserve	500.00	350.00	506.89	357.65
Balance carried to Balance Sheet	8,472.03	5,160.42	8,781.42	5,372.20

Dividend

Your Directors recommend a dividend of 40% i.e. Rs. 4/- per Equity Share of Rs. 10/- each for the year 2008-09 (Previous year 20% i.e. Rs. 2/- per Equity Share), subject to approval of shareholders at the 15th Annual General Meeting.

Review of Operations

For the year ended 31st March, 2009, your Company has reported consolidated turnover and net profit after minority interest, interest in associate and taxation of Rs. 43,049.88 Lacs and Rs. 4,523.59 Lacs respectively. As compared to previous year's turnover is up by 41% and net profit after taxation and minority interest is up by 30%.

On standalone basis, the Company has reported 41% increase in its turnover to Rs. 42,507.76 Lacs. The net profit after taxation grew by 33% to Rs 4,411.91 Lacs.

Public Issue and Utilization of Issue Proceeds

In order to set up of green-field manufacturing facility at Moraiya, near Ahmedabad for manufacturing of 220 kV class & above transformers, to part finance incremental working capital requirements and other corporate objects during December, 2007, the Company came out with an (IPO) of 29,95,000 equity shares of Rs.10/- each at a price of Rs.465/- per share aggregating to Rs.13,927 Lacs through 100% book building procedure. The IPO of the Company had received overwhelming response from the public and issue was oversubscribed by 91.31 times. The shares were listed for trading on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) w.e.f. 28th December, 2007. The details of utilization of said funds are as under:



(Rupees in Lacs)

Particulars	Projections	Actual
Setting up of green-field manufacturing facility at Moraiya, near Ahmedabad, Gujarat for manufacturing transformers;	6,668	5,874
Towards working capital requirement	3,540	737
Repayment of high cost debts	2,764	2,450
Issue Expenses	955	466
Total	13,927	9,527
Balance Unutilized		4,400

Balance unutilized amount has been temporarily invested in debt mutual funds.

Current Status of Project

The Company's expansion project to manufacture transformers of 220 kV and above at Moraiya, District Ahmedabad has been delayed on account of delay in supply of some of the critical machineries. However, it is expected that the new factory will be inaugurated in this quarter and will commence commercial production. There will not be major cost overrun in the project cost.

Plans and Prospects

The Transmission & Distribution sector of Power is growing rapidly with Indian sub-continent witnessing growth of around 9-10% in MVA in coming years. At the same time the sector will witness over capacity despite optimistic assumptions, which result in competitive pricing scenario.

The Focus of the Company this year will be to start Moraiya operations which will in turn share 20% of the total sales of the Company to optimize it through strategic sourcing, more efficient sub-contracting process and improved plant efficiency.

The Company plans to maintain the growth rate with some external market assumption in mind.

Depository System & Registrar

Your Company's shares are tradable compulsorily in electronic form. The Company is having connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Link Intime India Pvt. Ltd. (formerly known as Intime Spectrum Registry Ltd.) is the Registrar and Share Transfer Agent for the Company. The Members are requested to take note of the same and avails its services as and when required.

Consolidated Accounts

In compliance with clause 32 and clause 50 of the Listing Agreement with the Stock Exchange and as amended pursuant to the directive of Securities and Exchange Board of India (SEBI), the Company has prepared Consolidated Financial Statements as per the Accounting Standard on Consolidated Financial Statements (AS 21) issued by the Institute of Chartered Accountants of India. The Audited Consolidated Financial Statements along with the Auditor's Report have been annexed with this Annual Report.

Order Book

As on 28th April, 2009 the Company has strong order book position of Rs. 45,740 Lacs. The table below indicates the division of our order book between our business segments:



(Rupees in Lacs)

Type of Transformer	Order Book as on 28 th April, 2009	%
Power Transformers	31,702	69%
Distribution Transformers	1,786	4%
Furnace Transformers	3,239	7%
Rectifier Transformers	1,568	4%
Export	7,445	16%
Total	45,740	100%

During the last fiscal the Company has achieved export sales of Rs. 21.09 Lacs. The Company is now concentrating more export business to tap global business opportunities.

“Group” for Inter se Transfer of Shares

As required under Clause 3(1)(e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 persons constituting “Group” (within the meaning as defined in the Monopolies and Restrictive Trade Practice Act, 1969) for the purpose of availing exemption from applicability of the provisions of Regulation 10 to 13 of the aforesaid SEBI Regulation are given in Annexure II forms part of this Annual Report.

Associates Portfolio

With a view to enhancing operations of the Company, the Company has acquired 50% shareholding in Savas Engineering Company Pvt. Ltd., during year 2008-2009. The main activities of the Company is to manufacture various equipments for transformers manufacturing like vacuum plants etc. The Company has achieved Sales of Rs. 737.07 Lacs and posted profit before tax of Rs. 53.44 Lacs during the year 2008-2009.

During the year under review, the Company has acquired 19% shareholding in Benchmark HR Solutions (India) Pvt. Ltd., which is mainly engaged in HR Consultancy Services. The Company has achieved Sales of Rs. 51.20 Lacs and posted EBIDTA of Rs. 3.19 Lacs during the year 2008-2009.

Fixed Deposit

The Company has neither accepted nor invited any deposit from public, within the meaning of Section 58A of the Companies Act, 1956 and Rules made thereunder.

Re-constitution of Committees

During the year, Mr. Sureshchandra Agarwal was appointed as member of Audit Committee at the Board meeting held on 22nd October, 2009. Mr. Bhaskar Sen ceased to be member in the Management Committee w.e.f. 1st November, 2009

Directors

During the year under review, Mr. Bhaskar Sen cease to be Joint Managing Director w.e.f. 1st November, 2008, However he continue to be Director designated as Non-Executive and Non-Independent Director of the Company.

Pursuant to the provisions of Section 256 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Bhakar Sen and Mr. Sureshchandra Agarwal, Directors of the Company who retires by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. Details of the Directors seeking re-appointment as required under Clause 49(VI) of the Listing Agreements entered into with the Stock Exchanges are provided in the Notice forming part of this Annual Report.

None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 274(1) (g) of the Companies Act, 1956.

The Company has revised the terms and conditions of remuneration of Mrs. Karuna Mamtara, Executive Director and Mr. Satyen Mamtara, Joint Managing Director of the Company, w.e.f. 1st April, 2009, at its Board Meeting held on 28th April, 2009 subject to the approval of the members in general meeting.



Directors' Responsibility Statement

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm that:

- (a) in preparation of annual accounts for the year ended March 31, 2009, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts for the year ended March 31, 2009 ongoing concern basis.

Insurance

Assets of your Company are adequately insured against various perils.

Corporate Governance

As stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, a separate report on "Corporate Governance" as well as "Management Discussion and Analysis" confirming compliance, is set out in the Annexure forming part of this report.

A Certificate from Practicing Company Secretary regarding compliance with corporate governance norms stipulated in Clause 49 of the Listing Agreement, is annexed to the report on Corporate Governance.

Subsidiary Companies

The Company has two subsidiaries namely Transweld Mechanical Engineering Works Limited (wholly owned subsidiary) and Transpares Limited (51% holding). A statement pursuant to Section 212 of the Companies Act, 1956 is attached to the Accounts.

In terms of exemption received from Ministry of Corporate Affairs vide letter No.47/191/2009-CL-III dated 19.2.2009, under section 212(8) of the Companies Act, 1956, the Audited Balance Sheet, Profit and Loss Account, Report of the Board of Directors and Auditors of our subsidiaries have not been attached with the Balance Sheet of the Company. These documents will be made available upon request by any member of the Company interested in obtaining the same. However as directed by Central Government, the brief financial details of the subsidiaries have been furnished under "Financial details of Subsidiary Companies" forming part of the Annual Report. Further, pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company includes financial information of its subsidiaries. These documents will also be available for inspection during business hours at our registered office.

Auditors

The Statutory Auditors of the Company, M/s. C. C. Chokshi & Co., Chartered Accountants, Ahmedabad, will retire at conclusion of ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

The Company has received a written certificate from Auditors stating their appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956.

Auditors Report

The Auditors' Report on the accounts of the Company for the accounting year ended 31st March, 2009 is self explanatory and do not call for further explanations or comments that may be treated as adequate compliance of Section 217(3) of the Companies Act, 1956.

Personnel

The relations with the employees have been cordial throughout the year. Your Directors sincerely acknowledge the exemplary dedication of all its employees at all levels which contributed to the improved performance.

In accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, the particulars of Employees of the Company are furnished in an Annexure forming part of this Report.



Particulars required to be furnished by the Companies (Disclosure of particulars in the report of the Board of Directors) Rule, 1988

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of the Particulars in Report of the Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption are set out in Annexure to this Report.

Corporate Social Responsibility

The Company is contributing to sustainable development by its economic activities combined with the fulfillment of its social responsibilities relating to the education, health, safety and environment aspects.

Acknowledgement

Your Directors place on record their gratitude for the overwhelming support and assistance received from various regulatory and government authorities. Your Directors would like to express and appreciate co-operation received from investors, customers, business associates, bankers, vendors etc. Your Directors also acknowledge the hard work and dedicated efforts put in by the employees of the Company in carrying forward the Company's goal and to look forward to their continued contribution in building Company' rapid growth.

By Order of the Board of Directors

Place : Ahmedabad
Date : 28th April, 2009

Jitendra U. Mamtor
Chairman & Managing Director



Annexure I to the Directors' Report

Information as per Section 217 (1) (e) read with Company's (Disclosures of particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors Report for the year ended on 31st March, 2009.

1. Conservation of Energy :-

a. Energy conservation measures taken :

The Company has an ongoing study to identify and implement energy saving system to reduce energy consumption and cost of production. All new Equipment & Machinery is installed based upon optimum utilisation of energy.

b. Additional investment and proposals, if any being implemented for reduction of energy consumption of energy : Nil.

Impact of measure at (a) & (b) above for reduction of energy consumption and consequent impact on the production of goods : Nil.

Details of total & per unit consumption of energy are as follows.

(Rupees in Lacs)

Particulars	2008-2009	2007-2008
Electricity :		
(a) Purchased		
Units (Kwh)	2,269,314 Units	1,758,655 Units
Total Amount (Rs.)	Rs. 129.37	Rs. 83.96
Rate / Unit (Rs.)	Rs. 5.70 / Unit	Rs. 4.77 / Unit

2. Technology Absorption :-

The company has not taken any technology in particular or entered into any technology agreement during the period hence the information required as per Form B is not applicable to the Company.

3. Foreign Exchange Earnings & Outgo :-

(Rupees in Lacs)

Particulars	2008-2009	2007-2008
Earnings	1,798.45	1,399.75
Outgo :		
Foreign Travel Expenses	49.54	51.95
Import	4,022.45	800.77



Annexure II forming part of Directors Report

The following is the list of persons (in alphabetical order) constituting "Group" (within the meaning as defined in the Monopolistic and Restrictive Trade Practice Act, 1969) for the purpose of availing exemption from applicability of the provisions of Regulations 10 to 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ("the said Regulations"), as provided in Clause 3(e) of the said Regulations:

Particulars	Particulars
Aakanksha S. Mamtora	Master Pratham
Allied Electrical Industries	Michael Homawalla
Asha Mamtora	Ms. Vritika Kiri
Ashish Kiri	Pramila Mamtora
Benchmark HR Solutions (India) Pvt. Ltd.	Rajendra Shah
Bhaskar Sen	Ramesh Mamtora
Bipin Mamtora	Satyen J. Mamtora
Dilip Mamtora	Savas Engineering Company Pvt. Ltd.
Harish Rangwala	Sureshchandra Agarwal
Janki Mamtora	Transpares Ltd.
Jitendra Mamtora HUF	Transpower
Jitendra U Mamtora	Transweld Mechanical Engineering Works Ltd.
Karuna J. Mamtora	Vandana Mamtora
Master Prannay	

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of Directors Report for the year ended on 31st March 2009.

Sr.	Name	Age (yrs.)	Qualification	Date of Commencement of Employment	Designation / Nature of Duties	Exp. in years	Gross Remuneration (Rs. In Lacs)	Last Employment held with Designation	Share Holding %
(A) Employed throughout the year and was in receipt of remuneration which in the aggregate was not less than Rs. 24,00,000/- p.a.									
1	Mr. Jitendra U. Mamtora	63	B.E Engineering	11.07.1994	Chairman & Managing Director	40	160.31	Running proprietary business.	68.55
2	Mr. Satyen J Mamtora	34	Diploma in Electrical Engineer	11.07.1994	Joint Managing Director	10	57.09	N.A.	0.75
(B) Employed for a part of the year and was in receipt of remuneration which in the aggregate was not less than Rs. 2,00,000/- p.m.									
1	Mr. Bhaskar Sen#	68	B. E. Mechanical	09.07.2007	Non-Executive & Non-Independent	45	14.80	Executive Director in GEC GEC Alstom in various capacities	-
2	Mr. C. M. Sharma	61	B. E. Electric	15.12.2008	Vice President	38	3.00	In Bharat Bijlee Ltd. as Vice President (Transformers & Projects)	-

#Change in designation from Joint Managing Director to Non Executive and Non Independent Director w.e.f. 1st November 2008.

Note: 1. Gross Remuneration includes Salary, House Rent Allowance, Commission, Incentive, contribution to provident fund and superannuation fund but excludes Gratuity.

2. Both the employees in [(A) 1 & 2] above are relative of Mrs. Karuna Mamtora, Executive Director of the Company.

3. All employments are contractual only.

Date : 28th April, 2009

Place : Ahmedabad

Mr. Jitendra U. Mamtora
Mr. Satyen J. Mamtora
Mr. Tushar Shah

For and on behalf of the Board

Chairman & Managing Director
Joint Managing Director
Company Secretary



CORPORATE GOVERNANCE

“Corporate Governance is the system by which Companies are directed and controlled. The Board of Directors are responsible for the governance of their Companies. The shareholders role in the government is to appoint the directors and the auditors and to satisfy themselves that an appropriate governance structure is in place”.

Corporate Governance is a corporate discipline extended to transparency, integrity and accountability towards all stakeholders.

Corporate Governance helps to achieve excellence to enhance stakeholder's value by focusing on long-term value creation without compromising on integrity, social obligations and regulatory compliances.

1. Company's Philosophy on Corporate Governance

Transformers and Rectifiers (India) Limited (TRIL) has always been committed to the principle of sound Corporate Governance to promote the effective functioning of the Board and its Committee and to assist it in the exercise of its responsibility. Our Board exercises its fiduciary responsibilities in the widest sense of the term.

The Company's continued endeavor is to achieve good governance which ensures our performance rules with integrity whereby ensuring the truth, transparency, accountability and responsibility in all our dealings with our employees, shareholders, consumers and the community at large. Apart from compliance with the Statutory provisions of Company Law, allied acts and Listing Agreements. Our disclosure always seeks to attain best practice in corporate governance. We believe that sound corporate governance is critical to enhance and retain stakeholders trust.

The Board of Directors represents the interest of the Company's stakeholders, for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards. Corporate Governance is strongly driven by our values such as quality, commitment, customer orientation and integrity.

2. Board of Directors

A. Composition

The Current policy is to have appropriate mix of Executive and Independent Directors. Your Company's Board consists of eight (8) Directors of which Three (3) are Executive and Non-Independent Directors. Four (4) are Non-Executive and Independent Directors. One (1) is Non-Executive and Non-Independent Director. The Chairman of the Board is Executive Director. The Board members possess the requisite skills, experience and expertise to guide the Company.

The day-to day management of the Company is conducted by the Management Committee, which consist of Three (3) Executive Directors subject to supervision and control of the Board of Directors.

B. Board and Committees

The Board Meetings are held at least once in every quarter. The Board Meetings are generally held at registered office of the company. Agenda papers with explanatory notes of the meeting sends by Company Secretary well in advance for review and valuable suggestions. All the mandatory items as prescribed in Clause 49 of the Listing agreement are placed before the Board.

The Committees appointed by the Board make decision within the authority delegated. All decisions/recommendation of the Committees are placed before the Board for information and/or it's their approval.



Present Composition of the Board is as under :

Name of Directors	Designation	Category	No. of outside Directorship held*	Outside Committees**	
				Member	Chairman
Mr. Jitendra Mamtora	Chairman & Managing Director	Executive Director & Non-Independent Director	1	-	1
Mrs. Karuna Mamtora	Executive Director	Executive Director & Non-Independent Director	1	-	-
Mr. Satyen Mamtora	Joint Managing Director	Executive Director & Non-Independent Director	1	-	-
Mr. Bhaskar Sen #	Director	Non-Executive Director & Non-Independent Director	-	-	-
Mr. Rajendra S. Shah	Director	Non-Executive Director & Independent Director	5	-	2
Mr. Harish Rangwala	Director	Non-Executive Director & Independent Director	2	-	-
Mr. Michael Homawalla	Director	Non-Executive Director - Independent Director	2	-	-
Mr. Sureshchandra Agarwal	Director	Non-Executive Director – Independent Director	1	-	-

* Including Private Companies, ** Committees include Audit Committee & Shareholders' Grievance Committee for the purpose of Clause 49,

Change in designation from Joint Managing Director to Non Executive and Non Independent Director w.e.f. 1st November 2008.

None of the Directors of Board is a member of more than ten Committees and no Director is Chairman of more than five committees across all the companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

C. Board Meetings

The Board normally meets once in a quarter at the registered office of the Company *inter-alia*, to review the quarterly results. During the year under review, Board met Four (4) times, viz., on 22.04.2008, 19.07.2008, 22.10.2008 and 19.01.2009. The gap between any two meetings did not exceed four months.



D. Directors Attendance Record in Board Meetings & Annual General Meeting

Name of Directors	Number of Board Meetings held	No. of Board Meetings attended	Attendance at Last AGM
Mr. Jitendra Mamtora	4	3	Yes
Mrs. Karuna Mamtora	4	4	Yes
Mr. Satyen Mamtora	4	4	Yes
Mr. Bhaskar Sen #	4	4	Yes
Mr. Rajendra S. Shah	4	2	Yes
Mr. Harish Rangwala	4	2	Yes
Mr. Michael Homawalla	4	4	Yes
Mr. Sureshchandra Agarwal	4	4	Yes

#Change in designation from Joint Managing Director to Non Executive and Non Independent Director w.e.f. 1st November 2008.

E. Code of Conduct

The Company has formulated and implemented a Code of Conduct for its Directors and Senior Management Personnel of the Company in compliance with clause 49(I)(D) of the Listing Agreement. Annual Affirmation of compliance with the Code has been made by all Board Member and Senior Managerial Personnel of the Company. A declaration to this effect duly signed by CEO of the Company is attached herewith and forms part of Corporate Governance Report. The Code of Conduct is available on the website of the Company at www.transformerindia.com.

F. Insider Trading Policy

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, the Company has adopted Code of Conduct for Prevention of Insider Trading. The Company inter alia, observes closed period of trading, Prohibition on dealing, communicating or counseling and policy on disclosure as well.

3. Audit Committee

A. Composition

Sr. No.	Name of Members	Designation	Category / Status	No. of Meetings held / attended
1	Mr. Michael Homawalla	Chairman	Non-Executive Director & Independent Director	4/4
2	Mr. Jitendra Mamtora	Member	Executive Director & Non-Independent Director	4/3
3	Mr. Harish Rangwala	Member	Non-Executive Director & Independent Director	4/3
4	Mr. Sureshchandra Agarwal#	Member	Non-Executive Director & Independent Director	4/1

Appointed as member w.e.f. 22.10.2008

The Constitution of the Committee meets the requirements of Section 292A of the Companies Act, 1956 as well as Clause 49 of the Listing Agreement.

The Audit Committee met Four (4) times during the year viz. 22.04.2008, 19.07.2008, 22.10.2008 and 19.01.2009. Minutes of the Audit Committee are circulated and reviewed at the subsequent Board Meeting. The Statutory Auditors and Internal Auditors attend the meetings by invitation. Mr Tushar Shah, Company Secretary attended the meetings as Secretary.

The Chairman of the Committee, Mr. Michael Homawalla was present at the Annual General Meeting held on 26th June, 2008.

A. Terms of Reference

The terms of reference of the Audit Committee are inter alia to review financial reporting process, recommending appointment and removal of Statutory Auditors as well as Internal Auditors and fixation of audit fees, reports of the Internal Auditors, Internal Control



System and quarterly/annual financial statements, Internal audit function and structure of internal audit department. The Audit Committee also meets Statutory Auditors and Internal Auditors to discuss their findings, suggestions and other matters and hold discussion with them periodically. monitoring use of proceed of IPO, The Audit Committee also reviews the financial statement including Investments of the Subsidiary Company. The Scope of the activities of the Audit Committee is as prescribed by Section 292A of the Companies Act, 1956 as well as Clause 49.II of the Listing Agreement entered into with the Stock Exchanges.

The Audit Committee has reviewed the Management Discussion and Analysis of financial condition and results of operations forming part of this Annual Report and other information as mentioned in Clause 49 (II) (E) of the Listing Agreement.

4. Subsidiary Companies

- Mr. Michael Homawalla, Non-Executive and Independent Director of the Company is also Director on the Board of Transweld Mechanical Engineering Works Ltd. (100%) Subsidiary and Transpares Ltd. (51%) Subsidiary.
- Audit Committee of the Company reviews the financial statements of Subsidiaries of the Company and Minutes of the Board Meeting of the Subsidiaries were also placed before the Board meeting of the Company.

5. Remuneration Committee

A. Composition

The Remuneration Committee comprises of three (3) Non-Executive and Independent Directors.

Sr. No.	Name of Members	Designation	Category / Status	No. of Meetings held / attended
1	Mr. Sureshchandra Agarwal	Chairman	Non-Executive Director & Independent Director	1/1
2	Mr. Michael Homawalla	Member	Non-Executive Director & Independent Director	1/1
3	Mr. Harish Rangwala	Member	Non-Executive Director & Independent Director	1/0

Remuneration Committee met one time during the year ended on 31st March 2009 viz. 22.04.2008

B. Terms of Reference

The terms of reference of the Remuneration Committee are inter alia to recommend to the Board, the remuneration packages of Company's Managing/Joint Managing/ Deputy Managing/Whole time/Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);, Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole-time/ Executive Directors, including pension rights and any compensation payment; and to implement, supervise and administer any share or stock option scheme of our Company.

C. Remuneration of Directors

The aggregate value of salary, perquisites, commission paid for the year ended 31st March, 2009 to the Executive Directors are as follows:

(Rupees in Lacs)

Name of Directors	Fixed Salary				Performance Incentive	Commission	Total Compensation
	Salary	Perks	Retirement Benefits	Total fixed salary			
Mr. Jitendra Mamtora	90.00	5.22	0.09	95.31	-	65.00	160.31
Mrs. Karuna Mamtora	6.00	1.20	0.09	7.29	-	-	7.29
Mr. Satyen Mamtora	36.00	3.00	0.09	39.09	18.00	-	57.09
Mr. Bhaskar Sen #	10.88	3.92	-	14.80	-	-	14.80
Total	142.88	13.34	0.27	156.49	18.00	65.00	239.49

till 31st October 2008. (Change in designation from Joint Managing Director to Non Executive and Non Independent Director w.e.f. 1st November 2008.)



- Company shall contribute towards Provident Funds/ Superannuation Fund/ Annuity Fund provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the Income Tax Act, 1961.
- Company shall pay Gratuity at the rate not exceeding half month's salary for each completed year of service.
- Leave on full pay and allowances, as per rules of our Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per Company rules.

D. Details of Non –Executive Directors

Non-Executive Directors have no transaction with the Company, except receiving sitting fees for attending Board Meetings (Sitting Fess of Rs. 10,000), Audit Committee Meetings (Sitting Fees of Rs. 7,500) Shareholder Grievance Committee Meeting (Sitting Fees of Rs. 5,000) and Remuneration Committee (Rs. 5,000). The sitting fess paid for the year ended 31st March, 2009 were as follows :

Name of Non-Executive Directors	Board Meeting	Audit Committee Meeting	Shareholder Grievance Meeting	Remuneration Committee Meeting	Total Sitting Fees Paid (Rs.)
Mr. Rajendra Shah	20,000	-	5,000	-	25,000
Mr. Harish Rangwala	20,000	22,500	-	-	42,500
Mr. Michael Homawalla	40,000	30,000	-	5,000	75,000
Mr. Sureshchandra Agarwal	40,000	7,500	-	5,000	52,500
Mr. Bhaskar Sen #	10,000	-	5,000	-	15,000
Total	130,000	60,000	10,000	10,000	210,000

#Change in designation from Joint Managing Director to Non Executive and Non Independent Director w.e.f. 1st November 2008.

The details of Shares held by Directors' as on 31st March, 2009 are as under :

Sr. No.	Name of Directors	Age (yrs)	Designation	Date of Appointment	Nature of Employment	No. of Shares held	% held
1	Mr. Jitendra Mamtora	63	Chairman & Managing Director	Since Incorporation	Contractual	8,858,992	68.55
2	Mrs. Karuna Mamtora	59	Executive Director	Since Incorporation	Contractual	267,736	2.07
3	Mr. Satyen Mamtora	34	Joint Managing Director	Since Incorporation	Contractual	97,000	0.75
4	Mr. Bhaskar Sen #	68	Director	July 9, 2007	-	-	-
5	Mr. Rajendra Shah	61	Director	August 25, 2005	-	5,250	0.04
6	Mr. Harish Rangwala	61	Director	August 25, 2005	-	3,000	0.02
7	Mr. Michael Homawalla	50	Director	September 6, 2005	-	-	-
8	Mr. Sureshchandra Agarwal	58	Director	August 13, 2007	-	-	-

#Change in designation from Joint Managing Director to Non Executive and Non Independent Director w.e.f. 1st November 2008.

- There is no pecuniary relationship or transaction of the Company with any of the Non-Executive Directors, except sitting fees.
- The Company does not pay any severance fee and no stock option is available to the directors.

E. Management Discussion and Analysis

The Management Discussion and Analysis Report have been given separately in this Annual Report as required under Clause 49 of the Listing Agreement on page No.30.



6. Shareholders' Grievance Committee

The Shareholder's Grievance Committee comprises of Executive and Non-Executive Directors to specifically look into shareholder's complaints, if any and to redress the same expeditiously, like transfer of shares, non receipt of declared dividend, revalidation of refund order, dividend warrant, etc.

A. Composition

Sr. No.	Name of Members	Category / Status	Designation	No. of Meetings held / attended
1.	Mr. Rajendra Shah	Non-Executive & Independent	Chairman	1/4
2.	Mr. Bhaskar Sen#	Non-Executive & Non-Independent	Member	4/4
3.	Mr. Satyen Mamtora	Executive & Non-Independent	Member	4/4

#Change in designation from Joint Managing Director to Non Executive and Non Independent Director w.e.f. 1st November 2008.

The Shareholder Grievance Committee met 4 times during the year viz. on 22.04.2008, 19.07.2008, 22.10.2008 and 19.01.2009.

B. Details of Compliance Officer

Mr. Tushar Shah, Company Secretary is the Compliance Officer and can be contacted at Survey No.344-350, Opp. PWD Stores, Sarkhej-Bavla Highway, Village : Changodar, Taluka Sanand, Ahmedabad-382213, Gujarat Tel. 02717-661661, Fax : 02717 – 661716, Email : ipo@transformerindia.com

C. Terms of Reference

The terms of reference of the Shareholders'/Investors' Grievances Committee *inter alia* are to supervise and ensure Efficient transfer of shares; including review of cases for refusal of transfer/transmission of shares and debentures; Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc; Issue of duplicate/split/consolidated share certificates; Review of cases for refusal of transfer/transmission of shares and debentures; Reference to statutory and regulatory authorities regarding investor grievances; ensure proper and timely attendance and Redressal of investor queries and grievances.

D. Details of Complaints

The Status of complaints received, resolved and pending during the financial year ended 31st March, 2009 is as follows:

Sr. No.	Nature of Complaints	Received	Replied/ Resolved	Pending
1	Complaints from Investors/Shareholders through correspondence/ Non Receipt of R.O./Non credit of Shares / Demat/Remat	245	245	-
2	Complaints for Mutilated/Cheque/Refund Order Correction	12	11	1
3	Complaints from NSE	2	2	-
4	Complaints from BSE	3	3	-
5	Complaints from SEBI	260	260	-
	Total	522	521	1

There were no pending transfers of equity shares/Complaints remained pending/unattended as on March 31, 2009.

- The Equity Shares of the Company are compulsorily traded in electronic form on the stock exchanges and hence the handling of physical transfer of shares is minimal. The Board has delegated the said powers for approving transfer and transmission of shares and issue of duplicate shares to Share Transfer Committee. The status of transfer, duplicate etc., is periodically reported to the Committee.
- The Committee oversees performance of the Registrar and Share Transfer Agents of the Company, and also recommends measures for overall improvement in the quality of investor's services.
- Other details for shareholders have been provided separately in Shareholders' Information.



E. CEO/CFO Certification

This information is covered in this Annual Report on Page No.29.

7. Information about General Body Meetings

A. Annual General Meetings

The Location, date and time of last three Annual General Meetings held are as under.

Financial Year	Date	Time	No. of special resolutions passed	Place of Meeting
2007-2008	26-06-2008	11.00 a.m.	-	Survey No. 344-350 Sarkhej-Bavla ighway, Changodar, Sanand, Ahmedabad-382213
2006-2007	11-06-2007	11.00 a.m.	-	Survey No. 344-350 Sarkhej-Bavla ighway, Changodar, Sanand, Ahmedabad-382213
2005-2006	10-07-2006	11.00 a.m.	2	Survey No. 344-350 Sarkhej-Bavla ighway, Changodar, Sanand, Ahmedabad-382213

B. Special Resolution

Particulars of Special Resolution passed are as follows :

Financial Year	Date	Particulars
2005-2006	10-07-2006	1. To increase the Authorised Share Capital from Rs.8 Crores to Rs. 15 Crores. 2. To issue further equity shares under 81(1A)

C. Postal Ballot

The Company has not passed any resolution through postal ballot during the year under reference. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed through Postal Ballot.

7. Disclosures

A. Basis of Related Party Transaction

The Company has entered into related party transactions as set out in the Notes to Accounts, which are not likely to conflict with the interest of the Company. The details of all significant transactions with related parties are placed before the audit committee on quarterly basis.

B. Disclosure of accounting treatment in preparation of Financial Statement

The Company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

C. Details of non-compliance by the Company

Company has complied with all the requirement of regulatory authorities. No penalty/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market since the date of listing of equity shares i.e. 28th December, 2007.

D. Risk Management

The Company has framed a formal Risk Management Framework for risk assessment and minimization. Further, the Company is in the process of up-grading their risk management framework. The Scope of the Audit Committee includes review of Company's financial and risk management policies periodically.

E. Proceeds from Public Issue / Rights Issue / Preferential Issue / Warrant Conversion

The Company has raised Rs. 139.27 Crores through Issue of equity shares on IPO. The details of utilization of funds have been provided in the notes to the Accounts.



Non-Mandatory Requirements

- **The Board** : There is no policy at present to determine the tenure of Independent Directors.
- **Remuneration Committee**: The Company has constituted Remuneration Committee. A detailed note on Remuneration Committee is provided elsewhere in the Report.
- **Shareholder's Right** : Half yearly financial results including summary of the significant events are presently not being sent to shareholders of the Company. However quarterly financial results are published in the leading news papers and are also available on the website of the company.
- **Audit Qualification** : There is no qualification in the Auditor's Report on the Financial Statements to the shareholders of the company
- **Training of Board Members** : As the members of the Board are eminent and experienced professional persons, there is no formal policy at present for their training.
- **Mechanism for evaluating non-executive Board Members** : There is no policy framed for evaluation of Non-executive directors.
- **Whistle Blower Policy** : The Company has not established any formal Whistle Blower Policy.

9. Means of Communication

A. Financial Results for the Quarter ended :

30 th June, 2009	- End of July, 2009
30 th September, 2009	- End of October, 2009
31 ST December, 2009	- End of January, 2010
Audited Results for the year ended	- End of April or end of June, 2010 (As per Clause 41 of Listing Agreement)

- A. The Company has published its Quarterly/Half yearly Financial Results in Economic Times.
- B. The results were also displayed on Company's web-site www.transformerindia.com The same were also submitted to Stock Exchanges after conclusion of the Board Meetings.
- C. The presentations made to Institutional Investors or to the Analysts were also displayed on Company's web-site www.transformerindia.com.

9. General Information for Shareholders

A. Annual General Meeting :

Date : Wednesday, 15th July, 2009
 Time : 11.00 a.m.
 Venue : Survey No.344-350, Opp. PWD Stores,
 Sarkhej-Bavla Highway, Changodar,
 Sanand, Ahmedabad-382213, Gujarat

B. **Financial Year** : 1st April, 2008 to 31st March, 2009

- C. **Book Closure** : The Register of Members and Share Transfer Books of the Company shall Remain closed from Saturday, 11th July, 2009 to Wednesday, 15th July, 2009 (both days inclusive) for the purpose of ensuing Annual General Meeting. The Dividend, if approved by shareholders at AGM, shall be paid to shareholders whose names appear :
- a) as beneficial owners at the end of the business day on Friday, 10th July, 2009 as per the details available with NSDL and CDSL.
 - b) On the Register of Members as on Friday, 10th July, 2009 of the owners holding shares in physical form.



D. Dividend payment date : On or after 20th July, 2009 but within the statutory time limit of 30 days from the date of approval.

E. Listing on

Stock Exchanges : Equity shares of the Company are listed on National Stock Exchange Ltd. (NSE) and Bombay Stock Exchange Ltd. (BSE).

Security	Group	Scrip ID	Scrip Code	ISIN
Equity Shares	B	TRIL	532928	INE763I01018

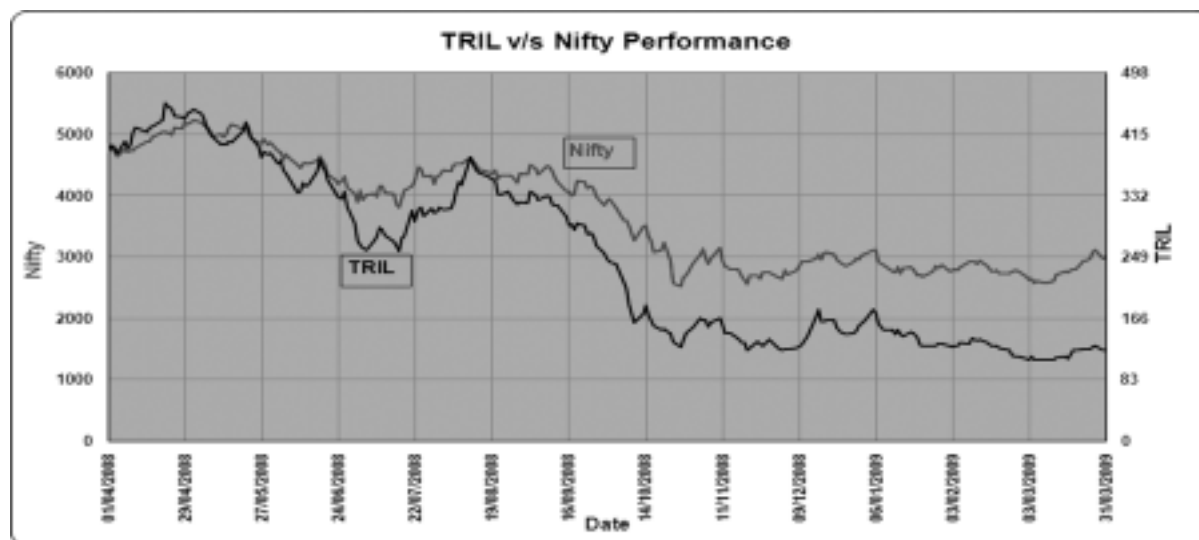
- The Company had paid listing fees to Bombay Stock Exchange Ltd. and National Stock Exchange Ltd. for financial year 2009-2010.
- As on 31st March, 2009, there were 52053 shareholders of the company.

F. Market Price Data

The High & Low share price during each month in financial year 2008-09 on Bombay Stock Exchange Ltd. are as under.

Month	Share Price on BSE		Share Price on NSE		BSE Sensex	
	High	Low	High	Low	High	Low
April, 2008	475.40	380.00	479.65	363.35	17480.74	15297.96
May, 2008	453.85	380.00	452.45	379.90	17735.70	16196.02
June, 2008	399.00	285.00	399.90	288.55	16632.72	13405.54
July, 2008	327.00	250.00	326.45	236.55	15130.09	12514.02
August, 2008	396.90	308.00	393.90	308.00	15579.78	14002.43
September, 2008	350.00	230.00	350.00	233.00	15107.01	12153.55
October, 2008	252.00	110.00	251.90	108.00	13203.86	7697.39
November, 2008	179.95	118.10	175.00	119.00	10945.41	8316.39
December, 2008	189.50	120.00	182.00	120.00	10188.54	8467.43
January, 2009	184.00	127.00	182.85	120.00	10469.72	8631.60
February, 2009	149.50	102.60	141.95	110.05	9724.87	8619.22
March, 2009	135.00	105.55	135.00	107.00	10127.09	8047.17

G. Price Movement Chart : TRIL vis-à-vis S&P CNX Nifty



**H. Registrar and Shares Transfer Agents**

Members are requested to correspond with the Company's Registrar and Transfer Agents for all matters related to share transfers, dematerialization, complaints for non-receipt of refund order/dividends etc. at the following address :

M/s. Link Intime India Pvt. Ltd. (Formerly known as M/s. Intime Spectrum Registry Limited)
C-13, Pannalal Silk Mills Compound,
LBS Road, Bhandup (West),
Mumbai – 400078
Telephone : 022-25960320
Fax : 022-25960329
Email : tr.ipo@linkintime.co.in

I. Share Transfer System

Applications for transfer of shares in physical form are processed by the Company's Registrar & Transfer Agent M/s. Link Intime India Pvt. Ltd., Mumbai. The Share Transfer Committee constituted for transfer / transmission of shares, issue of duplicate shares and allied matters considers and approves the share transfer once in fortnight subject to transfer instrument being valid and complete in all respects.

The Company has obtained half yearly certificates from Company Secretary in Practice for compliance of share transfer formalities as per the requirement of Clause 47(c) of the Listing Agreement of Stock Exchange. The Company has also carried out quarterly Secretarial Audit for the reconciliation of Share Capital as required under SEBI circular no. 16 dated 31st December 2002.

J. Distribution of Shareholding (As of 31st March 2009)

No. of Shares of Rs. 10/- each	Shareholders		Share Amount	
	Number	% to the Total	Rs.	% to the Total
Upto 5,000	51,678	99.2796	14,634,200	11.3236
5001 - 10,000	190	0.3650	1,396,380	1.0805
10,001 - 20,000	82	0.1575	1,160,490	0.8980
20,001 - 30,000	38	0.0730	953,340	0.7377
30,001 - 40,000	7	0.0134	251,520	0.1946
40,001 - 50,000	10	0.0192	472,330	0.3655
50,001 - 1,00,000	21	0.0403	1,489,870	1.1528
1,00,001 & above	27	0.0519	108,877,980	84.2473
TOTAL	52,053	100.00%	129,236,110	100.00%

K. Details of Unclaimed Shares

As per the new clause 5A of the Listing agreement, the Company has 33 cases consists of 495 unclaimed shares, allotted under the Initial Public Offering (IPO) of the Company, completed during December, 2007. The Company is in process of crediting the said shares in to separate demat suspense account, as per the procedure prescribed under the said clause of the listing agreement.

**L. Shareholding Pattern (As of 31st March 2009)**

Sr. No.	Category	No. of shares	% of voting capital
A	Promoters Holding :-		
1.	Promoters* - Indian - Foreign	9,928,415 9,928,415	76.8238 76.8238
B	Non Promoter Holding :-		
2.	Institutional : - Mutual Fund - Financial Institutions/Banks	405,845 76,503	3.1403 0.5920
3.	Non-Institutional : Bodies Corporate	315,299 323,161	2.4397 2.5005
	Individuals :		
	- Capital upto Rs.1 Lacs	1,737,174	13.4419
	- Capital greater than Rs. 1 Lacs	56,782	0.4394
	Any Others : - Clearing Member	46,056	0.3564
	- NRIs	25,096	0.1942
	- Overseas Bodies Corporates	115	0.0009
	- Trusts	915	0.0071
	Grand Total	12,923,611	100.0000

M. Dematerialization of Shares & Liquidity

As on March 31, 2009, 83.50% shares were held in dematerialized form and balance 16.50% shares were held in physical form. The trading in the Company's equity shares is compulsorily in dematerialized mode. In order to afford full liquidity and efficient transfer mechanism to the investor community, the Company has tied up with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). Thus the investors can exercise dematerialization and transfer actions through a recognized Depository Participant (DP) who is connected to NSDL or CDSL. Requests for dematerialization of physical shares are processed and completed within an average period of 15 days from the date of receipt of documents provided they are in order.

N. Outstanding GDRs / ADRs / Warrants / Options or any Convertible Instruments

Company has no outstanding GDRs / ADRs / Warrants / Options or any convertible instruments as on 31st March 2009.

P. Plant Locations

1. Survey No. 344-350, Opp. P.W.D. Stores, Village: Changodar, Ahmedabad
2. Plot No.233, GVMSAV Ltd., Odhav, Ahmedabad
3. Survey No.427/3/p, Village Moraiya, Ahmedabad

Q. Investors Communication

For Share Transfers / Dematerialization or other queries relating to Shares :

M/s. Link Intime India Pvt. Ltd. (formerly known as M/s. Intime Spectrum Registry Limited)

C-13, Pannalal Silk Mills Compound,
LBS Road, Bhandup (West), Mumbai – 400078
Telephone : 022-25960320, Fax : 022-25960329

Email : tr.ipo@linkintime.co.in

For other inquiry, please contact Tushar Shah Company Secretary & Compliance Officer of the Company at following address.

Mr. Tushar Shah, Company Secretary & Compliance Officer
Transformers and Rectifiers (India) Limited
Survey No. 344-350, Opp. PWD Stores, Sarkhej-Bavla Highway,
Changodar, Sanand, Ahmedabad-382213
Telephone : 02717-661661, Fax : 02717 – 661716
Email : ipo@transformerindia.com

**Declaration regarding compliance by Board Members and senior Management Personnel with the company's code of conduct**

The Board of Directors of Transformers & Rectifiers (India) Limited has adopted code of conduct; followed by all members of the Board and all senior Management personnel of the company in compliance with the revised clause 49 of the listing Agreement with the stock Exchanges. This code is available on the company's website www.transformerindia.com.

This is to confirm that the company has received from each member of the Board and senior Management personnel a Declaration of compliance with the code of conduct as applicable to them.

Place : Ahmedabad
Date : 28th April, 2009

Jitendra U. Mamtora
Chairman & Managing Director

CEO/CFO CERTIFICATION

We Jitendra Ujamshi Mamtora, Chairman and Managing Director and Rahul Shah CFO of the company, to the best of our knowledge and belief certify that:

- (a) We have reviewed the balance sheet and profit and loss account and all its schedules and notes on accounts, as well as the cash flow statements and the Directors' Report;
 - These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;
 - These statements together present a true and fair view of the company, and are in compliance with the existing Accounting Standards and/or 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, 2009 are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting; and Deficiencies in the design 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) We have indicated to Auditors and Audit Committee :
 - 1) There has not been any significant change in internal control over financial reporting during the year under reference;
 - 2) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - 3) 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 : Ahmedabad
Date : 28th April, 2009

Jitendra U. Mamtora
Chairman & Managing Director

Rahul Shah
Chief Financial Officer

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

CIN : L33121GJ1994PLC022460

Nominal Capital : Rs.15,00,00,000/-

To,

The Members of

TRANSFORMERS AND RECTIFIERS (INDIA) LIMITED

In accordance with Clause 49 of the Listing Agreement entered into by Transformers and Rectifiers (India) Limited with the Stock Exchanges, I have examined all the relevant records of the Company relating to its compliance of conditions of Corporate Governance as stipulated in revised Clause 49 for the financial year ended on March 31, 2009.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation 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 my opinion and to the best of my information and according to the explanations given to me and the re-presentations made by the Directors and the Management, I certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in abovementioned listing agreement.

As per the records maintained by the Company and information given to me by the Registrar of the Company, I have to state that there were no investor grievance remaining unattended/ pending for a period exceeding one month as on 31st March, 2009.

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

Place : Ahmedabad
Date : 28th April, 2009

Name of Company Secretary : TAPAN SHAH
Membership No. : FCS 4476
C. P. Number : 2839



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

THE GLOBAL ECONOMIC SCENARIO

The year 2008 must be a bewildering experience for economists as well as social scientists. The month of October seems to have caused industrial output in most emerging economies to turn negative, as if orchestrated by a common psychology and sentiment of fear. This would certainly be recorded as a rare occurrence in the history of economic globalization. The International Monetary Fund (IMF) has tried to make sense of what had been going on by analyzing many recessions in the last 50 years. It has looked at all recessions between 1960 and 2007 and found that these last, on an average, 12 months. The shortest of these recessions was six month long and the longest over three years. Typically, the peak to trough GDP loss in these recessions has been 2%. However, these recessions were not accompanied by a combination of credit freeze, housing and equity busts.

The IMF believes that recession accompanied by credit freeze and housing/ equity busts could see GDP losses which are two to three times greater. This means many slowing economies across the world, which has experienced a cocktail of banking crises, equity and housing bust, will suffer much more and could lose 4-6% output. In some sense, this is already happening in the United States, the epicentre of all the economic maladies.

DOES INDIA FALL IN THIS CATEGORY?

Whereas it may not be possible for India to completely de-couple itself so as to avoid the debris released by the falling western economies, India may still manage to buck the global recession largely based on the buying power of the bottom 80% of the population, which accounts for 67% of the total consumption. Further, India has not had banking crisis and a widespread housing bust. Of course, equities in India have fallen considerably from its peak, like elsewhere in the world. It can be reasonably expected that once the global fear factor wanes, the growth recession in India could get limited to about 2% before the economy bounces back to its trend GDP growth rate of 8%. However, it presupposes that India will get a stable government after the general election being held in 2009.

Analysis shows that while companies have been witnessing deceleration in bottomlines since September 2008 quarter, the topline were growing in double digits. This reflected that demand was intact, albeit at lower realizations. During March Quarter this solace seems to have disappeared. The likelihood of marginal revenue growth raises questions about demand traction in the economy. Given the highly uncertain times, it would be difficult to provide a firm perspective about India Inc's future performance. It is very likely that the prevailing somber mood may take a few more quarters to change for the better. But the continued momentum in government infrastructure spending and a better political scene post general elections may provide some clarity about times to come.

POWER SECTOR

The Government has targeted capacity addition of 78,500 mw during the 14th plan (07-08 / 11-12). While equipment orders for 60,000 mw capacity have been placed, 40,000 mw capacity equivalent to Rs. 1,60,000 Crore is awaiting financial closure as funds have dried up on the back of global economic slow down. A planning commission study has put a fund gap of over Rs. 4.5 lakh Crore for the sector after exploring all avenues of debt and equity. This has led to the government exploring ways to enhance funding for power projects. The Reserve Bank of India may soon relax the prudential norms for power sector finance companies such as Power Finance Corporation (PFC) and Rural Electrification Corporation (REC) to enable them to lend more. Under RBI's prudential norms, NBFCs like PFC and REC are required to maintain a capital-to-risk weighted asset ratio (CRAR) of 12%. It is expected that this may be brought down to 9% for Government-controlled power sector NBFCs. Liquidity would also be ensured for the power sector with banks raising their exposure caps for the power sector NBFCs'. The current prudential norms restrict banks to lend 20% and 50% of the capital funds to single borrower and group borrowers (including for REC and PFC) respectively. These limits may be raised to 30% and 70% if RBI agrees to power ministry's proposal.

The Government may also allow state-owned Life Insurance Corporation of India Limited (LIC), the country's largest financial institution, to fund individual power projects beyond the existing 10% exposure norm. If accepted, the move will provide a major relief to the Power sector that is awaiting financial closure for generation projects worth 40,000 mw. In 07-08 the first year of the 11th Five year Plan had seen total capacity addition of 9263 mw. The target addition plan for 08-09 is 11,061 mw; the actual addition during 08-09 is not yet known. The average power deficit is placed at 10.1 percent, while the deficit vis-à-vis peak demand is around 14.6%. It is apprehended that there will be again a shortfall in capacity addition during 08-09, as had been during 07-08. This obviously will adversely impact transformer demand as also transmission planning though with a phase lag.

It is projected that by 2010, India shall have a market worth 5.5 billion EUROS for power related projects, Transmission projects and Services, Power Grid Corporation has Rs. 55,000 Crore investment plan till 2012. It is arranging to borrow \$ 2 billion (about Rs. 10,000 Crore) from World Bank and Asian Development Bank (ADB) to part finance its plan. It is expected that Power Grid Corporation will get \$ 1 billion from World Bank by June 2009 & \$ 1 billion from ADB by 2010-11.



Meanwhile, the Government has allocated Rs. 50,000 Crore for modernizing the power sector, and Rs. 10,000 Crore of this will be spent on IT. The IT projects will be in three areas- Consulting, Implementation of IT systems and Training.

DRIVERS OF TRANSFORMER INDUSTRY

The demand drivers for the Transformers industry are:

- 1) Generation capacity being added.
- 2) Strengthening of Transmission network / New Transmission corridors
- 3) Ultra Mega Power Projects (UMPP)
- 4) Increasing penetration in export Market.
- 5) Replacement Demand.
- 6) Power Distribution reforms like “Restructured Accelerated Power Development & Reforms Programme” (R-APDRP) and “Rajiv Gandhi Grameen Vidhyutikaran Yojana” (RGGVY)

THREATS

The Government of India has revised generation capacity addition plan to 90,000 mw for the 11th Plan. The break-up is as follows; Central Sector – 39,865 mw, State Sector – 27,952 mw, Private Sector – 22,183 mw. The entire upward revision is attributable to private sector only, which has gone up from 10,760 mw to 22,183 mw. However, from the trend of slippages in the first two years, it is apprehended that by the end of the 11th plan, the capacity addition will be unlikely to exceed the bandwidth of 55,000 – 60,000 mw. This will adversely impact transformer demand.

Out of the 9 Planned UMPPs totaling 36,000 mw, only 4 nos. have been allotted to private players (Mundra to Tata Power, Sasan - Krishna Patnam - Tilaya to Reliance Power). These projects are expected to be commissioned only by the 12th Plan, and as such, no transformer demand for these can arise during 11th Plan. RPL has no capacity that is operational. We must not forget that a UMPP is of unimaginable scale, to be built with super- critical technology that is entirely new to India. It involves meticulous planning and massive resources.

OPPORTUNITIES

The replacement demand should be healthy, keeping in view the total installed transformer MVA estimated at 12,00,000 MVA and that shelf life around 25 years. This transformers commissioned in 1980-85 are likely to be replaced in near futures which implies a replacement demand to the tune of 20,000 – 25,000 MVA per annum. Indian products are acknowledged to be technically at par with leading international companies, though aesthetically these products are conceived to be inferior. India is exporting transformers to around 50 countries including USA, Canada, Europe, South Africa, Cyprus, Syria, Iraq & other middle east & Far East countries. However exports have always been low on priority till recently, which trend is changing now as domestic manufacturers have created additional capacity to cater to exports after having serviced domestic demands. Exports during FY09 are likely to exceed 15,000 MVA (about 10% of expected production). We can reasonably expect this to grow by a healthy percentage every year.

Summarizing the situation, and considering 10 MVA transformer demand / MW of generation (this is the current trend going), we can arrive at yearly estimate of transformer demand during 11th Plan:

i)	Attributable to average generation addition	=1,10,000 MVA
ii)	Yearly Replacement demand (Average)	= 22,000 MVA
iii)	Exports (Average)	= 18,000 MVA

This totals to 1,50,000 per annum. The demand bandwidth can be taken as 1,50,000 – 1,60,000 MVA/ annum.

However, against the backdrop of the global recession, the full impact of which is yet to unfold, and given the highly uncertain liquidity position, it is apprehended that at least during FY 09-10, margins are likely to be under pressure to the extent of 150 – 250 bps.

OUTLOOK OF TRIL

Your Company is having a healthy order book of around 457 Crore as at end April, 2009. Further, the new Moraiya Plant is expected to be operational by end of Q1 and sales should be effected commencing Q2. This should contribute to volume growth, at least in the existing range of products during 09-10. Your company should start moving up the value chain starting Q4 by executing orders in 400 kv segment. Contrary to earlier trend, the sales execution pattern may be more skewed in favor of SEBs and Utilities, keeping in view some uncertainties with Industry orders.

Thus, while the scenario for India Inc may not look very bright at present. We, at TRIL, do see some bright bulbs on the chandelier. We do not want our company to be an organization whose past is brighter than its future.



MAJOR ISSUES & CONCERNS

1. Dependence on government plans & funds.
2. Any possible sensitivity of private participation in transmission projects.
3. Dependence on imported CRGO, which constitutes bulk cost.
4. Volatility of copper prices.
5. High debtor days in government projects.
6. Delay in implementation of projects.
7. Slowdown in international markets.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a well established system of internal controls and Internal Audit commensurate with its size and complexity of business which monitor efficiency of operations and compliance with relevant laws and regulations. Delegation of power and responsibility for accounting has been issued to ensure Uniform compliance. Internal audits are conducted by experience firm of chartered accountants in close co-ordination with company's finance department. The findings of the Audit team are discussed internally as well as in the Audit Committee deliberations once in a quarter. The Company is continuously upgrading its internal control system by adding better process control, various audit trails and use of external management assurance services.

MAJOR DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

This year your Company has aligned Organization goals to Departmental goals & Individual goals through Balance Score Card approach. Performance incentive mechanism is extended to staff members apart from Senior Management & Blue collars who were already a part of it. TRIL participated in Great Place to work and score 77% engagement level. Our productivity levels have improved by 13% over last year giving mor MVA per employee. TRIL has started TQM program with first wave on awareness and focus on Plant cleanliness. 350 man hrs training has been given till date to plant personnel. The company has launched a new suggestion scheme TARIL IDEA BANK to encourage new ideas on focused on plant improvement.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Comparison of various items between Financial Statements For Fiscal Year 2009 and Fiscal Year 2008:

(Rupees in Lacs)

PARTICULARS	Standalone				Consolidated			
	FY 2009		FY 2008		FY 2009		FY 2008	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Net Sales	42,124.04	96.73%	30,044.44	97.66%	42,666.15	96.68%	30,428.02	97.65%
Trading Sales	23.00	0.05%	-	-	23.00	0.05%	-	-
Service Income	360.72	0.83%	142.53	0.46%	360.73	0.82%	142.53	0.46%
Other Income	1,040.05	2.39%	576.82	1.87%	1,080.81	2.45%	590.77	1.90%
Total Income	43,547.81	100%	30,763.79	100.00%	44,130.69	100%	31,161.32	100.00%
Raw Material Consumed	29,750.83	68.32%	22,884.80	74.39%	29,486.29	66.82%	22,838.18	73.29%
Trading Purchases	30.18	0.07%	-	-	30.18	0.07%	-	-
Manufacturing Expenses	826.75	1.90%	568.92	1.85%	1,191.37	2.70%	746.50	2.40%
Employee Cost	868.01	1.99%	670.42	2.18%	899.41	2.04%	693.69	2.23%
Selling, Distribution & Administration Expenses	3,432.51	7.885%	2,378.28	7.73%	3,512.89	7.96%	2,446.27	7.85%
Decrease/(Increase) in Stock	1,131.81	2.60%	(1,835.14)	-5.97%	1,149.44	2.60%	(1,976.19)	-6.34%
Total Expenses	36,040.09	82.76%	24,667.28	80.18%	36,269.58	82.19%	24,748.45	79.42%
EBIDTA	7,507.72	17.24%	6,096.51	19.82%	7,861.11	17.81%	6,412.87	20.58%
Finance Charge	691.58	1.59%	765.66	2.49%	747.90	1.69%	810.86	2.60%
Depreciation	251.51	0.58%	196.42	0.64%	280.37	0.64%	215.44	0.69%
PBT	6,564.63	15.07%	5,134.43	16.69%	6,832.84	15.48%	5,386.57	17.29%
Taxation	2,152.72	4.94%	1,824.17	5.93%	2,253.16	5.11%	1,864.55	5.98%
Minority Interest					56.09	0.13%	61.69	0.20%
PAT	4,411.91	10.13%	3,310.26	10.76%	4,523.59	10.25%	3,460.33	11.10%

**STANDALONE BASIS**

Total income of the Company has stepped up from Rs. 30,763.79 Lacs in FY 2008 to Rs. 43,547.81 in FY 2009, thus there is increase of 41.56% in the total income of the Company. Profit Before Taxation increased from Rs. 5,134.43 Lacs during FY 2008 to Rs. 6,564.63 Lacs during FY 2009. Profit after tax for FY 2009 stood at Rs. 4,411.91 Lacs compared to Rs. 3,310.26 Lacs during FY 2008.

CONSOLIDATED

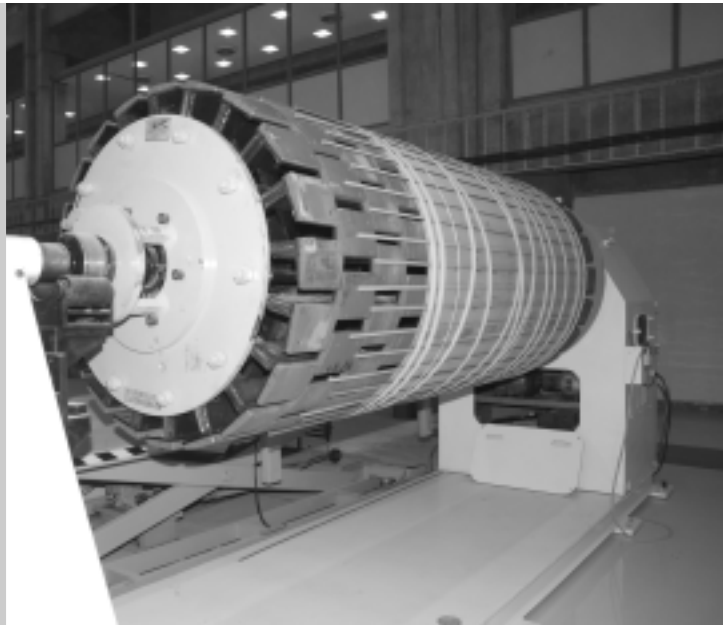
Total income of the Company has stepped up from Rs. 31,161.32 Lacs in FY 2008 to Rs. 44,130.69 Lacs in FY 2009, thus there is increase of 41.62% in the total income of the Company. Profit Before Taxation increased from Rs. 5,386.57 Lacs during FY 2008 to Rs. 6,832.84 Lacs during FY 2009. Profit after tax for FY 2009 stood at Rs. 4,523.59 Lacs compared to Rs. 3,460.33 Lacs during FY 2008.

CAVEAT

This section of the Annual Report has been included in adherence to the spirit enunciated in the Code of Corporate Governance approved by the Securities and Exchange Board of India. Shareholders and Readers are cautioned that in the case of data and information external to the company, though the same are based on sources believed to be reliable, no representation is made on its accuracy or comprehensiveness. Further, though utmost care has been taken to ensure that the opinions expressed by the management herein contain its perceptions on most of the important trends having a material impact on the Company's operations, no representation is made that the following presents an exhaustive coverage on and of all issues related to the same. The opinions expressed by the management may contain certain forward-looking statements in the current scenario, which is extremely dynamic, and increasingly fraught with risk and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed herein. Readers are hence cautioned not to place undue reliance on these statements, and are advised to conduct their own investigation and analysis of the information contained or referred to in this section before taking any action with regard to their own specific objectives. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinions expressed here are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this report, consequent to new information, future events, or otherwise.



*Financial
Statement*





AUDITOR'S REPORT

To The Members of
Transformers & Rectifiers (India) Limited
Ahmedabad.

1. We have audited the attached Balance Sheet of **Transformers & Rectifiers (India) Limited** ("the Company") as at 31st March 2009, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) 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;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examinations of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon 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:
 - a) in the case of the Balance Sheet, of the state of the affairs of the Company as at 31st March, 2009;
 - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For C. C. Chokshi & Co.
Chartered Accountants

H. P. Shah
Partner

Membership No. 33331

Place : Ahmedabad
Date : 28th April, 2009



ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date

- (i) The nature of Company's activities during the year have been such that clauses (xiii) and (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company for the year.
- (ii) (a) The Company has maintained proper records showing full particulars, including situation of its fixed assets. The quantity details are being updated.
 - (b) As explained to us, the Company has a program of verification of fixed assets to cover all the items over a period of three years which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, some part of fixed assets was physically verified by the management during the year. According to information and explanations given to us, no material discrepancies were noticed by the management on such verification.
 - (c) The Company has not disposed off a substantial part of fixed assets during the year.
- (iii) (a) Physical verification of inventory has been conducted during the year, by the management at reasonable intervals, except stock lying at third party location for which confirmations have been obtained for the major portion of stocks confirming such holding and for goods in transit.
 - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - (c) The Company is maintaining proper records of inventory. Discrepancies noticed on physical verification have been properly dealt with in the books of account.
- (iv) (a) 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.
 - (b) The Company has taken unsecured loans from four parties covered in the Register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year end balance of such loans aggregates to Rs. 332.04 Lacs and Rs. Nil respectively.
 - (c) In our opinion, the rate of interest and other terms and conditions on which such loans have been taken are not, prima facie, prejudicial, to the interest of the company.
 - (d) The terms of repayment of the principal amount and the interest thereon have not been stipulated.
- (v) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (vi) (a) In our opinion and according to the information and explanations given to us, transactions that need to be entered into a Register in pursuance of Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of such parties during the year have been made at prices, which are reasonable having regard to prevailing market prices at the relevant time.
- (vii) The Company has not accepted deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed there under.
- (viii) Internal audit is carried out by a firm of Chartered Accountants. On the basis of the reports made by them to the management, in our opinion, the Internal Audit System is commensurate with the size and nature of its business.



- (ix) We have broadly reviewed the books of account relating to materials, labour and other items of the cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (x) According to the information and explanations given to us in respect of statutory and other dues:
- (a) The Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Sales-tax, Customs Duty, Excise Duty, Income-tax, Wealth-tax, Service-tax, Cess and any other statutory dues during the year.
- (b) No undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Sales-tax, Customs Duty, Excise Duty, Income-tax, Wealth-tax, Service-tax, Cess were outstanding, as at 31st March, 2009 for a period more than six months from the date they became payable.
- (c) There are no dues of Sales-tax, Income-tax, Customs Duty, Wealth-tax, Service-tax, Cess and any other statutory dues which have not been deposited on account of any dispute. The Company has not deposited Excise Duty of Rs. 292.47 Lacs which is disputed and pending before the Assistant Commissioner, Additional Commissioner and Commissioner of Central Excise.
- (xi) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the financial year under report and the immediately preceding financial year.
- (xii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to banks.
- (xiii) According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiv) According to the information and explanations given to us, the terms and conditions of guarantees given by the Company for loans taken by others from banks and financial institutions, are not, prima facie prejudicial to the interest of the Company.
- (xv) According to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company during the year for the purposes for which the loans were obtained.
- (xvi) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short term basis have, prima facie, not been used during the year for long term investment.
- (xvii) The Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xviii) No debentures have been issued by the company and hence the question of creating the securities or charges in respect thereof does not arise.
- (xix) The management has disclosed the end use of money raised by public issue and the same has been verified by us.
- (xx) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For C. C. Chokshi & Co.
Chartered Accountants

H. P. Shah
Partner

Membership No. 33331

Place : Ahmedabad
Date : 28th April, 2009



Balance Sheet

As At 31st March, 2009

(Rupees in Lacs)

	Schedule	As At 31 st Mar 2009	As At 31 st Mar 2008
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	1,292.36	1,292.36
Reserves & Surplus	2	23,169.09	19,357.48
		<u>24,461.45</u>	<u>20,649.84</u>
Loan Funds			
Secured Loans	3	5,510.54	3,163.94
Unsecured Loans	4	-	271.74
		<u>5,510.54</u>	<u>3,435.68</u>
Deferred Tax Liability (Net)		57.41	-
(See note no 19 of Schedule 21)			
TOTAL		<u>30,029.40</u>	<u>24,085.52</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	5,049.60	2,759.76
Less : Depreciation & Amortisation		997.76	754.90
Net Block		<u>4,051.84</u>	<u>2,004.86</u>
Add :- Capital Work In Progress		3,846.45	1,725.87
(See note no. 7 of Schedule 21)			
		<u>7,898.29</u>	<u>3,730.73</u>
Investments	6	7,821.73	7,767.61
Deferred Tax Asset (Net)		-	0.25
(See note no 19 of Schedule 21)			
Current Assets, Loans & Advances			
Inventories	7	5,471.74	6,144.10
Sundry Debtors	8	15,308.39	12,437.67
Cash & Bank Balances	9	1,505.91	1,617.58
Loans & Advances	10	1,129.75	829.79
		<u>23,415.79</u>	<u>21,029.14</u>
Less : Current Liabilities & Provisions	11	9,106.89	8,443.17
Net Current Assets		<u>14,308.90</u>	<u>12,585.97</u>
Miscellaneous Expenditure	12	0.48	0.96
(To the extent not written off)			
TOTAL		<u>30,029.40</u>	<u>24,085.52</u>
Significant Accounting Policies	20		
Notes on Accounts	21		
Schedule 1 to 21 form part of this Balance Sheet			

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered AccountantsJitendra U. Mamtora
Chairman & Managing DirectorSatyen J. Mamtora
Join Managing DirectorH.P.Shah
PartnerTushar Shah
Company SecretaryPlace : Ahmedabad
Dated : 28th April, 2009Place : Ahmedabad
Dated : 28th April, 2009



Profit & Loss Account

For the Year Ended on 31st March, 2009

(Rupees in Lacs)

	Schedule	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
INCOME			
Sale of Goods Manufactured (Gross)		47,685.93	34,610.98
Sale of Goods Traded in		23.00	-
Service Income (Gross)		360.72	142.53
		<u>48,069.65</u>	<u>34,753.51</u>
Less : Cenvat Duty recovered on Sales & Service Income (See note no. 8 of Schedule 21)		5,561.89	4,566.54
Net Sales & Service Income		42,507.76	30,186.97
Other Income	13	1,040.05	576.82
TOTAL		<u>43,547.81</u>	<u>30,763.79</u>
EXPENDITURE			
Raw Materials Consumed		29,750.83	22,884.80
Decrease/(Increase) in stock of Finished Goods and Process Stock	14	1,131.81	(1,835.14)
Trading Goods Purchased		30.18	-
Manufacturing Expenses	15	826.75	568.92
Payments to and Provision for Employees	16	868.01	670.42
Selling, Distribution, Administrative and Other Expenses	17	3,432.51	2,378.28
Finance Charges	18	691.58	765.66
Depreciation & Amortisation		251.51	196.42
TOTAL		<u>36,983.18</u>	<u>25,629.36</u>
Profit Before Tax		6,564.63	5,134.43
Provision For Taxation	19	2,168.16	1,769.10
Short/(Excess) Provision of Taxation of Earlier years		(15.44)	55.07
Profit After Tax		4,411.91	3,310.26
Balance of Profit & Loss Account Brought Forward From Previous Year		5,160.42	2,500.69
TOTAL		<u>9,572.33</u>	<u>5,810.95</u>
Appropriations			
Proposed Dividend		516.94	258.47
Tax on Dividend		83.36	42.06
Transferred To General Reserve		500.00	350.00
Balance Carried To Balance Sheet		8,472.03	5,160.42
TOTAL		<u>9,572.33</u>	<u>5,810.95</u>
Earning Per Share (Basic & Diluted) (Rs.) (See note no. 18 of Schedule 21)		34.14	30.90
Significant Accounting Policies	20		
Notes on Accounts	21		
Schedule 1 to 21 form part of this Balance Sheet			

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered Accountants

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Join Managing Director

H.P.Shah
Partner

Tushar Shah
Company Secretary

Place : Ahmedabad
Dated : 28th April, 2009

Place : Ahmedabad
Dated : 28th April, 2009



Cashflow Statement

For the Year Ended on 31st March 2009

(Rupees in Lacs)

PARTICULARS	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
(A) Cash Flow from Operating Activities		
Profit Before Tax	6,564.63	5,134.43
Adjustments for:		
Loss On Sale Of Fixed Assets	6.04	3.92
Provision for Onerous Contracts Reversed	-	(46.13)
Unrealised Foreign Exchange Losses/(Gain)	(141.55)	21.91
Provision For Doubtful Debtors	108.95	11.72
Dividend Income	(427.32)	(186.90)
Interest Income	(230.05)	(112.87)
Depreciation & Amortisation	251.51	196.42
Loss On Sale Of Investments	1.40	3.30
Finance Charges	691.58	765.66
Miscellaneous Expenditure Written Off	0.48	0.48
Operating Profit Before Working Capital Changes	<u>6,825.67</u>	<u>5,791.94</u>
Adjustment For :		
Trade & Other Receivables	(3,247.31)	(5,790.75)
Inventories	672.36	(2,207.56)
Trade & Other Payables	<u>403.92</u>	<u>(66.44)</u>
	(2,171.03)	(8,064.75)
Cash Generated From Operations	<u>4,654.64</u>	<u>(2,272.81)</u>
Direct Taxes Paid	<u>(2,000.49)</u>	<u>(1,964.05)</u>
NET CASH FROM OPERATING ACTIVITIES-(A)	<u>2,654.15</u>	<u>(4,236.86)</u>
(B) Cash Flow From Investing Activities		
Purchase Of Fixed Assets	(4,434.61)	(1,907.88)
Sale Of Fixed Assets	9.50	22.36
Investments in Mutual Funds (Net)	(21.20)	(7,591.22)
Long Term Investment In Associates	(29.00)	-
Long Term Investment In Other Companies	(5.32)	-
Dividend Received	411.84	175.92
Interest Received	<u>230.05</u>	<u>68.30</u>
NET CASH USED IN INVESTING ACTIVITIES-(B)	<u>(3,838.74)</u>	<u>(9,232.52)</u>
(C) Cash Flow From Financing Activities		
Proceeds From Borrowings	4,067.14	3,407.04
Repayment Of Borrowings	(1,992.28)	(2,749.69)
Proceeds From Initial Public Offering of Equity Shares including Share Premium	-	13,926.75
Expenses in connection with Issue of Equity shares	-	(307.66)
Unclaimed Share Application money lying in escrow account	(134.54)	138.10
Finance Charges Paid	(691.58)	(763.78)
Dividends Paid	<u>(300.53)</u>	<u>-</u>
NET CASH FROM FINANCING ACTIVITIES-(C)	<u>948.21</u>	<u>13,650.76</u>
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	<u>(236.38)</u>	<u>181.38</u>
ADD : CASH & CASH EQUIVALENTS-OPENING BALANCE	<u>250.08</u>	<u>68.70</u>
CASH & CASH EQUIVALENTS-CLOSING BALANCE	<u>13.70</u>	<u>250.08</u>

Note:

- 1 Cash And Cash Equivalents Includes:
- | | As At 31 st Mar 2009 | As At 31 st Mar 2008 |
|---|---------------------------------|---------------------------------|
| Cash & Cheques On Hand With Scheduled Banks: | 5.20 | 1.88 |
| In Current Accounts | 4.46 | 110.10 |
| Unclaimed Share Application money lying in escrow account | 3.56 | 138.10 |
| Unclaimed Dividend money lying in escrow account | 0.48 | - |
| Total | <u>13.70</u> | <u>250.08</u> |
- 2 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- 3 The previous year's figures have been regrouped wherever necessary.

As per our attached report of even date.

For C. C. Chokshi & Co.
Chartered AccountantsH.P.Shah
PartnerPlace : Ahmedabad
Dated : 28th April, 2009

For and on behalf of Board of Directors

Jitendra U. Mamtora
Chairman & Managing DirectorTushar Shah
Company SecretarySatyen J. Mamtora
Join Managing DirectorPlace : Ahmedabad
Dated : 28th April, 2009



Schedules Forming part of the Accounts

(Rupees in Lacs)

	As At 31 st Mar 2009	As At 31 st Mar 2008
Schedule 1: Share Capital		
Authorised		
15,000,000 Equity Shares of Rs. 10/- each	1,500.00	1,500.00
	<u>1,500.00</u>	<u>1,500.00</u>
Issued, Subscribed and Paid Up		
12,923,611 Equity Shares of Rs. 10/- each fully paid up (Refer note no. 3 of Schedule 21)	1,292.36	1,292.36
TOTAL	<u>1,292.36</u>	<u>1,292.36</u>
Notes:		
Of the above shares: -		
(i) 4,747,466 Equity Shares have been allotted as fully paid up by way of bonus shares by capitalisation of Securities Premium Rs. 377.63 Lacs, General Reserve Rs. 65.00 Lacs and Surplus in Profit and Loss Account Rs. 32.11 Lacs.		
(ii) 157,260 Equity Shares have been issued on preferential basis.		
(iii) 117,085 Equity Shares have been issued pursuant to a contract without payment being received in cash.		

Schedule 2 : Reserves & Surplus

Securities Premium Account		
As per last Balance Sheet	13,508.13	472.21
Less : Capitalised by issue of Bonus Shares	-	283.67
Add : Premium on issue of Equity Shares pursuant to Initial Public Offering	-	13,627.25
Less : Share Issue Expenses Written Off [Net of tax] (Refer note no. 3 of Schedule 21)	-	307.66
	<u>13,508.13</u>	<u>13,508.13</u>
General Reserve		
As per last Balance Sheet	688.93	350.00
Less : Adjustment for provision for employee benefits [Net of tax]	-	11.07
Add : Amount transferred from Profit and Loss Account	500.00	350.00
	<u>1,188.93</u>	<u>688.93</u>
Surplus in Profit & Loss Account	8,472.03	5,160.42
TOTAL	<u>23,169.09</u>	<u>19,357.48</u>



Schedules Forming part of the Accounts

(Rupees in Lacs)

	As At 31 st Mar 2009	As At 31 st Mar 2008
Schedule 3 : Secured Loans		
From Banks		
Cash Credit Accounts (Note : 1)	4,421.86	2,797.62
Foreign Currency Demand Loan (Note :1)	887.60	-
Term Loan (Note : 2)	123.35	333.78
Hire Purchase Loans (Note : 3)	26.80	29.55
Interest Accrued and Due	50.93	2.99
TOTAL	<u>5,510.54</u>	<u>3,163.94</u>

Notes:

- 1) Secured by hypothecation of current assets of the Company on paripassu basis and collaterally secured by residual value of net fixed assets of the company excluding fixed assets of Moraiya plant and also collaterally legal mortgage on paripassu basis on immovable properties situated at Changodar, Doraji and Ahmedabad and in addition to above secured by pledge of equity shares of promoters and personal guarantees of some directors.
- 2) Secured by first hypothecation charge on entire fixed assets of the Company, except fixed assets of Moraiya Plant and also collaterally legal mortgage on paripassu basis on immovable properties situated at Changodar, Doraji and Ahmedabad and in addition to above secured by pledge of equity shares of promoters and personal guarantees of some directors.
- 3) Secured by lien on vehicles purchased under hire purchase agreements.
- 4) Payable within 12 months out of the above loans is Rs. 25.95 Lacs (Previous year Rs. 58.61 Lacs).

Schedule 4 : Unsecured Loans

Loan from Directors	-	79.74
Loan from a Bank	-	192.00
TOTAL	<u>-</u>	<u>271.74</u>

Note: Payable within 12 months out of the above loans is Rs. Nil (Previous Year Rs.192.00 Lacs).



Schedules forming part of the Accounts

Schedule 5 : Fixed Assets

(Rupees in Lacs)

Assets	Gross Block (At Cost)			Depreciation & Amortisation			Net Block		
	As At 1 st Apr 08	Additions	Deductions/ Adjustment	As At 31 st Mar 09	As At 1 st Apr 08	Additions	Deductions/ Adjustment	As At 31 st Mar 09	As At 31 st Mar 08
Goodwill	119.07	-	-	119.07	47.62	23.81	-	47.64	71.45
Land	156.70	8.02	-	164.72	-	-	-	164.72	156.70
Building	545.05	921.18	-	1,466.23	116.50	20.30	-	1,329.43	428.55
Plant & Machinery	1,165.89	1,112.48	-	2,278.37	372.23	124.26	-	1,781.88	793.66
Electrifications	95.68	152.64	-	248.32	33.00	10.75	-	204.57	62.88
Furniture & Fixtures & Office Equipments	235.01	32.75	0.49	267.27	42.07	17.31	-	207.89	192.94
Computer & Accessories	105.35	24.51	-	129.86	67.31	12.09	-	50.46	38.04
Computer Software	57.97	5.32	-	63.29	21.25	15.60	-	26.44	36.72
Vehicles	279.04	57.63	24.20	312.48	54.92	27.39	8.65	238.81	224.12
TOTAL	2,759.76	2,314.53	24.69	5,049.60	754.90	251.51	8.65	4,051.84	2,004.86
Capital Work in Progress									
Previous Year	2,104.66	685.09	29.99	2,759.76	562.20	196.42	3.72	2,004.86	1,542.46

Notes:

- 1 Fixed assets include Rs. 77.59 Lacs (Previous Year Rs. 94.51 Lacs) being cost of asset purchased on hire purchase basis on which the vendors have a lien.
- 2 Additions to fixed assets includes interest of Rs.Nil (Previous Year Rs. 14.48 Lacs) capitalised.
- 3 Capital work in progress includes Rs 336.41 Lacs (Previous Year Rs. 500.93 Lacs) on account of advance against Capital Expenditure and Pre-operative expenditure of Rs. 19.06 Lacs (Previous year Rs. 59.13 Lacs).



Schedules Forming part of the Accounts

(Rupees in Lacs)

	As At 31 st Mar 2009	As At 31 st Mar 2008
Schedule 6 : Investments		
(A) Long Term Investments		
Trade Investments		
<i>Investment in Subsidiary Companies (Unquoted)</i>		
Face value Rs. 10/- each, Fully Paid up :		
548,760 Equity Shares of Transpares Ltd.	137.19	137.19
250,000 Equity Shares of Transweld Mechanical Engineering Works Ltd.	32.50	32.50
<i>Investment in Associate Company (Unquoted)</i>		
Face value Rs. 10/- each, Fully Paid up :		
5,100 Equity Shares of Savas Engineering Company Pvt. Ltd.	29.00	-
Non - Trade Investments		
<i>Investment in other Company (Unquoted)</i>		
Face value Rs. 10/- each, Fully Paid up :		
1,900 Equity Shares of Benchmark HR Solutions (India) Pvt. Ltd.	5.32	-
TOTAL (A)	204.01	169.69
(B) Current Investments		
Non - Trade Investments		
<i>Units of Mutual funds (Unquoted)</i>		
Face value Rs. 10/- each, Fully Paid up :		
10,093,353 Units of Lotus India FMP	-	1,009.34
10,077,096 Units of SBNPP-FIIP-Plan C	-	1,008.00
15,294,630 Units of Birla Short Term Fund	-	1,529.47
10,082,749 Units of UTI Fixed Maturity Plan	-	1,008.27
5,000,000 Units of Reliance FHF	-	500.00
13,815,337 Units of SBI SHF Ultra	1,382.22	-
5,109,227 Units of LIC Income Plus fund	510.92	-
5,769,813 Units of ICICI Flexible Income Plan	610.07	-
4,905,242 Units of HDFC Liquid Fund	601.37	-
7,975,451 Units of SBI PLF	800.14	-
9,813,631 Units of Reliance LTF	1,500.23	-
Face value Rs. 1,000/- each, Fully Paid up :		
50,247 Units of AIG STF	-	502.48
203,823 Units of Reliance LPF	-	2,040.36
897,401 Units of Tata Liquid SHIF	1,000.17	-
121,122 Units of Reliance MMF	1,212.60	-
TOTAL (B)	7,617.72	7,597.92
TOTAL (A + B)	7,821.73	7,767.61
Unquoted Investments		
In Subsidiary Companies	Cost price 169.69	169.69
In Associates & Other Companies	Cost price 34.32	-
In Mutual Funds	Cost price 7,617.72	7,597.92
	Repurchase value 7,617.72	7,616.43



Schedules Forming part of the Accounts

(Rupees in Lacs)

	As At 31 st Mar 2009	As At 31 st Mar 2008
Note: Investments purchased and sold during the year		
Mutual Funds	Units	Cost Price
AIG India Treasury Plus Fund	5,043,524	504.90
Bharti Axa Liquid Fund	50,102	501.02
Bharti Axa Treasury Ip Fund	50,000	500.00
Birla Sunlife Cash Plus Ip	15,996,080	1,602.73
Birla Sunlife Savings Fund	15,990,027	1,600.09
DSP Black Rock Cash Manager Fund	106,083	1,060.93
DSP Black Rock Money Manager Fund	105,915	1,060.00
DWS Credit Opportunities Fund	9,966,115	1,000.00
HDFC Cash Management Fund	19,938,011	2,000.08
HDFC Floating Rate Scheme	5,952,675	600.08
HDFC Liquid Premium Plan	13,052,860	1,600.25
ICICI Flexible Income Plan - Daily Dividend	4,019,483	425.00
ICICI Flexible Income Plan	19,224,201	2,032.67
ICICI Prudential Super Ip	10,556,418	1,055.69
ICICI Prudential Interval Fund Quarterly Plan - iii	10,326,709	1,032.67
JP Morgan India Liquid Plus Fund	499,555	50.00
Kotak Debt Equity Fund	10,450,361	1,050.00
LIC Liquid Fund - Dividend Plan	14,618,704	1,605.15
LIC Liquid Fund - Growth Plan	14,122,820	2,150.82
LICMF Income Fund Plus Daily Dividend Plan	38,559,690	3,855.97
Mirae Asset Liquid Plus Fund	50,097	501.32
Mirae Asset Liquid Plus Fund	4,993	50.00
Mirae Asset Super Ip Fund	99,860	1,000.00
Reliance Fixed Horizon Fund S-2	5,861,078	586.11
Reliance Liquid Fund Treasury Plan	57,130,353	8,733.63
Reliance Liq Plus Fund	354,922	3,553.25
Reliance Medium Term Fund	37,455,644	6,403.23
Reliance Monthly Interval Fund	9,992,406	1,000.00
SBI Premier Liquid Fund - Daily Dividend	5,980,563	600.00
SBI Premier Liquid Fund - Super Institutional Daily Dividend	59,998,776	5,222.47
SBI SHF Ultra Short Term Fund	44,671,437	4,469.38
Tata Fixed Maturity Fund	496,747	50.03
Tata Floater Fund	1,000,038	100.36
UTI Liquid Cash Plan	100,153	1,520.21
UTI Treasury Advantage Fund	99,986	1,000.07
Shares of Other Companies		
Equity shares of Benchmark HR Solutions (India) Pvt. Ltd.	600	1.68

Schedule 7 : Inventories

(Raw Materials, Process Stock and Finished Goods
are valued at lower of cost and net realisable value)

Stock- in -Trade

Raw Materials

[Including Goods in Transit Rs. 115.77 Lacs
(Previous Year Rs. 485.61 Lacs)]

Finished Goods

Process Stock

TOTAL	5,471.74	6,144.10
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Schedules Forming part of the Accounts

(Rupees in Lacs)

	As At 31 st Mar 2009	As At 31 st Mar 2008
Schedule 8 : Sundry Debtors		
(Unsecured)		
Exceeding Six Months		
Considered Good	2,766.68	2,586.92
Considered Doubtful	116.95	11.72
Others Debts		
Considered Good	12,541.71	9,850.75
	<u>15,425.34</u>	<u>12,449.39</u>
Less: Provision for Doubtful debts	116.95	11.72
TOTAL	<u>15,308.39</u>	<u>12,437.67</u>

Note : Other Debts includes Rs. Nil (Previous Year Rs. 0.03 Lacs) due from Partnership Firm in which Director of the Company is a Partner. [Maximum Balance outstanding during the year Rs. 0.03 Lacs (Previous Year Rs. 0.03 Lacs)].

Schedule 9 : Cash & Bank Balances

Cash & Cheques on hand	5.20	1.88
Balances with Scheduled Banks:		
In Current Accounts	4.46	110.10
In Fixed Deposit Accounts (Lodged with banks as securities for guarantees given by the bankers)	1,492.21	1,367.50
Unclaimed Share application money lying in escrow account	3.56	138.10
Unclaimed Dividend money lying in escrow account	0.48	-
TOTAL	<u>1,505.91</u>	<u>1,617.58</u>

Schedule 10 : Loans & Advances

(Unsecured)

Considered Good		
Advances recoverable in cash or in kind or for value to be received	179.72	186.95
Advances to Suppliers	84.86	160.42
Other Advances	129.13	58.20
Deposits and balances with Government and Other Authorities	541.11	180.62
Other Deposits	168.08	188.01
Interest Receivable	26.85	55.59
TOTAL	<u>1,129.75</u>	<u>829.79</u>



Schedules Forming part of the Accounts

(Rupees in Lacs)

	As At 31 st Mar 2009	As At 31 st Mar 2008
Schedule 11 : Current Liabilities & Provisions		
Current Liabilities		
Sundry Creditors :		
a) Micro, Small & Medium Enterprises (to the extent identified with available information)	-	-
b) Others	5,227.48	5,132.47
	<u>5,227.48</u>	<u>5,132.47</u>
Due to Subsidiary Companies	466.35	291.77
Advance From Customers	1,799.89	1,600.08
Other Liabilities	599.56	637.58
Investor Education and Protection Fund		
Unclaimed Share Application Money	3.56	138.10
Unclaimed Dividend	0.48	-
Interest accrued but not due on loans	3.19	17.72
TOTAL (A)	<u>8,100.51</u>	<u>7,817.72</u>
Provisions		
Proposed Dividend	516.94	258.47
Tax on Proposed Dividend	83.36	42.06
Provision For Gratuity	32.75	36.84
Provision For Leave Encashment	17.90	14.72
Provision For Taxation (Net of Advance Tax paid)	355.43	273.36
TOTAL (B)	<u>1,006.38</u>	<u>625.45</u>
TOTAL (A + B)	<u>9,106.89</u>	<u>8,443.17</u>

Note : There is no amount due and outstanding as at balance sheet date to be credited to Investor Education and Protection Fund.

Schedule 12 : Miscellaneous Expenses

(To the extent not written off or adjusted)

Share Issue Expense	0.96	1.44
Less : Written Off	0.48	0.48
TOTAL	<u>0.48</u>	<u>0.96</u>



Schedules Forming part of the Profit and Loss Account

(Rupees in Lacs)

	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
Schedule 13 : Other Income		
Interest Received on Fixed Deposits with Banks [Tax Deducted At Source:- Rs. 41.13 Lacs (Previous Year Rs. 12.29 Lacs)]	230.05	112.87
Interest Received From Others [Tax Deducted At Source:- Rs. 1.49 Lacs (Previous Year Rs. Nil)]	12.26	-
Dividend Income		
Trade Investment - From Subsidiary Companies	26.46	10.98
Non Trade Investments - Investments in Mutual Funds	400.86	175.92
Sale of Scrap	274.45	153.53
Insurance Claim Received	52.25	30.91
Provision for Onerous Contracts Reversed	-	46.13
Excess Provision no longer required written Back	-	12.36
Miscellaneous Amounts Written Back	40.00	-
Bad Debts Recovered	3.72	1.00
Miscellaneous Income	-	33.12
TOTAL	<u>1,040.05</u>	<u>576.82</u>

Schedule 14 : Decrease/(Increase) in stock of Finished Goods and Process stock

Closing Stock		
Finished Goods	751.04	733.91
Process Stock	2,402.20	3,551.14
	<u>3,153.24</u>	<u>4,285.05</u>
Less : Opening Stock		
Finished Goods	733.91	273.86
Process Stock	3,551.14	2,176.05
	<u>4,285.05</u>	<u>2,449.91</u>
TOTAL	<u>1,131.81</u>	<u>(1,835.14)</u>

Schedule 15 : Manufacturing Expenses

Power & Fuel	147.76	95.78
Repairs		
Plant and Machinery	96.55	45.74
Factory Building	22.51	22.51
Tools Purchase	35.85	32.68
Workers Wages	140.50	135.99
Testing Charges & Other Manufacturing Expenses	373.05	226.73
Cenvat Duty provided on Stocks	10.53	9.49
TOTAL	<u>826.75</u>	<u>568.92</u>



Schedules Forming part of the Profit and Loss Account

(Rupees in Lacs)

	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
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Schedule 16 : Payments to and Provisions for Employees

Salaries, Bonus, Gratuity, etc.	811.30	598.77
Contribution to Provident and other funds	39.27	31.85
Employee Welfare Expenses	17.44	39.80
TOTAL	868.01	670.42

Schedule 17 : Selling, Distribution, Administrative and Other Expenses

Selling Expenses	294.93	335.03
Discount, Rebates & Allowances	37.25	-
Advertisement Expenses	66.36	39.66
Stationary, Printing, Postage and Telephone Expenses	96.55	66.36
Insurance	38.78	39.44
Rent	11.66	6.97
Repairs		
Office Building	2.50	6.98
Others	6.24	4.77
Rates And Taxes	1.24	0.64
Travelling Expenses & Conveyance	273.85	236.42
Directors Sitting Fees	2.53	2.10
Bank Charges	323.57	304.23
Legal & Professional Charges	71.88	35.25
Audit Fees	8.00	4.00
Sales Commission	235.03	137.37
Late Delivery Charges	1,662.61	1,043.31
General Charges	140.32	40.55
Provision for Doubtful Debts	108.95	11.72
Bad Debts Written Off	6.55	9.52
Deposits Written Off	-	12.69
Foreign Exchange Loss (Net)	18.80	21.91
Cenvat Duty Expense	7.15	9.89
Central Sales Tax Expenses	9.84	1.77
Loss on Sale of Fixed Assets	6.04	3.92
Loss on Sale of Investments	1.40	3.30
Miscellaneous Expenses :		
Share Issue Expenses Written Off	0.48	0.48
TOTAL	3,432.51	2,378.28



Schedules Forming part of the Profit and Loss Account

(Rupees in Lacs)

	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
Schedule 18 : Finance Charges		
Interest on Fixed Loans from		
Banks	536.95	561.54
Directors	<u>57.95</u>	<u>32.71</u>
	594.90	594.25
Interest - Others	43.40	4.74
Bill Discounting Charges	53.28	166.67
TOTAL	<u>691.58</u>	<u>765.66</u>

Schedule 19 : Provision for Taxation

Current Tax	2,085.00	1,720.00
Deferred Tax	57.66	29.90
Fringe Benefit Tax	25.50	19.20
TOTAL	<u>2,168.16</u>	<u>1,769.10</u>



Schedule 20 : Significant Accounting Policies

- 1) **Accounting Convention**
The accounts are prepared on historical cost basis and based on accrual method of accounting and applicable Accounting Standards.
- 2) **Use of Estimates**
The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on date of the Financial Statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/ materialized.
- 3) **Fixed Assets**
 - a) Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. The cost of Fixed Assets includes non-refundable taxes and levies, freight and other incidental expenses related to acquisition and installation of the respective assets.
 - b) Certain computer software costs are capitalised and recognised as intangible assets in terms of Accounting Standard 26 on intangible assets based on materiality, accounting prudence and significant economic benefits expected to flow therefrom for a period longer than 1 year. Capitalised cost include direct cost of implementation and expenses directly attributable to the implementation.
 - c) The Company evaluates the impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired the impairment loss is then recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest level for which there are separately identifiable cash flows.
- 4) **Depreciation and Amortisation**
 - a) Depreciation on Fixed Assets is provided on Straight Line Method in accordance with Section 205(2)(b) of the Companies Act, 1956 at the rate and in the manner prescribed in Schedule XIV of the said Act.
 - b) Computer software costs capitalised are amortised using the Straight Line Method over estimated useful life of 3 to 5 years, as estimated at the time of capitalisation.
- 5) **Investments**
 - a) Long Term investments are stated at cost and provision is made to recognise any diminution in value, other than that of temporary nature.
 - b) Current investments are carried at lower of cost and market value. Diminution in value is charged to the profit and loss account.
- 6) **Inventories**
 - a) Raw Materials, Process Stock and Finished Goods are valued at lower of cost or net realisable value.
 - b) Cost for Raw Materials is determined on Weighted Average/FIFO basis, net of cenvat credit availed.
 - c) Cost for Finished Goods and Process Stock is determined taking material cost [Net of cenvat credit availed] labour and relevant appropriate overheads and cenvat duty.
- 7) **Revenue Recognition**
In appropriate circumstances, Revenue (Income) is recognised when no significant uncertainty as to determination or realisation exists.
- 8) **Sales/Service Income**
Sales are accounted on despatch of goods. Export sales are accounted on the basis of date of Bill of lading. Sales value is inclusive of Cenvat Duty and but does not include other recoveries such as insurance charges, transport charges etc. Service income excludes service tax.
- 9) **Cenvat credit**
Cenvat credit is accounted for on accrual basis on purchase of eligible inputs, capital goods and services.



- 10) **Foreign Currency Transactions**
(a) Monetary items denominated in foreign currency are translated at the exchange rate prevailing on the last day of the accounting year. Foreign currency transactions are accounted at the rate prevailing on the date of transaction.
(b) Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.
(c) Gain or loss arising out of translation/conversion is taken credit for or charged to the Profit and Loss Account.
- 11) **Prior Period Expenses/Income**
Material items of prior period expenses/income are disclosed separately.
- 12) **Employees Benefits**
a) **Defined Contribution Plan**
The Company's contributions paid / payable for the year to Provident Fund are recognised in the Profit and Loss Account.
b) **Defined Benefit Plan**
The Company's liabilities towards gratuity, and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognised immediately in the profit and loss account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.
- 13) **Borrowing Cost**
Interest and other costs in connection with the borrowings of the funds to the extents related/attribution to the acquisition / construction of qualifying fixed assets are capitalised upto the date when such assets are ready for their intended use and other borrowing costs are charged to Profit and Loss Account.
- 14) **Miscellaneous Expenditure**
Shares issue expenses incurred are amortised over a period of five years.
- 15) **Taxes on Income**
Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with provision of Income Tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or subsequently enacted as on the balance sheet date. The Deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.
- 16) **Leases**
Lease transaction entered into on or after April 1, 2001:
a) Assets acquired under lease where the company has substantially all risk and rewards incidental to ownership are classified as finance leases. Such assets are capitalised at the inception of lease at the lower of fair value or the present value of minimum lease payment and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability of each period.
b) Assets acquired on lease where a significant portion of risk and rewards incidental to ownership is retained by the lessor are classified as operating lease. Lease rental are charged to the profit and loss account on accrual basis.
- 17) **Earnings Per Share**
The Company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.
- 18) **Provisions, Contingent Liabilities and Contingent Assets**
Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the Financial Statements.

**Schedule 21 : Notes Forming Part of Account****1. Contingent Liabilities in respect of**

(Rupees in Lacs)

Particulars	As At 31 st Mar 2009	As At 31 st Mar 2008
a) Disputed demand of Central Excise Department.	292.47	232.89
b) Guarantee given by bankers on behalf of Company	11,712.96	6,800.40
c) Corporate Guarantees given by Company for loan taken by a Subsidiary Company	1,281.00	-
d) Performance Guarantees given by Company		2,775.12
e) Bills Discounted with Banks	675.91	1,973.99
f) Import duty benefit towards duty free import of raw materials made in respect of which export obligations are yet to be discharged.	105.83	101.20
g) Claims against Company not acknowledged as debts	Amount not ascertained	Amount not ascertained

2. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for Rs. 1,348.51 Lacs (Previous year Rs. 2,195.40 Lacs).

3. Initial Public Offering (IPO)

During the financial year 2007-08 the Company completed its Initial Public Offering (IPO) comprising of 2,995,000 equity shares of Rs. 10/- each at a price of Rs. 465/- per share aggregating to Rs. 13,926.75 Lacs. The share premium of Rs. 455/- per share, amounting to Rs. 13,627.25 Lacs was credited to Share Premium Account. The share issue expenses amounting to Rs. 307.66 Lacs (Net of tax of Rs. 158.41 Lacs) were adjusted to Share Premium Account.

The Funds raised through Initial Public Offering have been utilized as under

(Rupees in Lacs)

Particulars	Amount
Funds raised through the Initial Public Offering	13,926.75
Utilisation of Funds till 31 st March 2009	
Expenditure on development /construction of the projected as stated in the object clause of the Prospectus	5,873.75
Repayment of high cost debts	2,450.00
Towards working capital requirement	736.93
Expenses in connection with issue of Equity Share	466.07
Balance as on 31 st March 2009, temporarily invested in debt mutual funds	4,400.00

4. Foreign currency exposures not hedged by derivative instruments as at 31st March, 2009 on exports amount to Rs. 1,222.75 Lacs (Previous Year Rs. 8.09 Lacs) and on imports amount to Rs. 1,050.63 Lacs (Previous Year Rs. Nil).
5. During the year the Company has acquired 5,100 Equity Shares of Savas Engineering Company Private Limited, a company engaged in manufacturing & supply of Transformer Equipments. It is specialized in manufacturing of Vapor Phase Drying Machine.
6. In view of withdrawal of the Announcement issued by the Institute of Chartered Accountants of India on 'Treatment of Exchange Differences under Accounting Standard (AS) 11 (revised 2003), The Effects of Changes in Foreign Exchange Rates vis-à-vis Schedule VI to the Companies Act, 1956', effective from the previous accounting period, any income or expense on account of exchange difference related to foreign exchange liabilities pertaining to purchase of fixed assets is recognised in the Profit and Loss Account instead of giving effect thereof to the cost of the fixed assets. This change has resulted into increase in the profit of the Company for the year ended 31 March, 2009 by Rs. 12.19 Lacs (During the previous year there was a decrease in profit by Rs. 7.23 Lacs).



7. Capital Work In Progress includes preoperative expenditure pending allocation to a project under implementation are as under
(Rupees in Lacs)

Preoperative Expenses	As At 31 st Mar 2009	As At 31 st Mar 2008
Legal & Professional	-	25.88
Electricity Charges	8.20	17.29
Interest	-	15.43
Other Incidental Charges	10.86	0.52
TOTAL	19.06	59.12

Details of Preoperative expenses capitalised during the year :

Fixed Asset	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
Land	7.74	-
Building	66.65	-
Plant & Machinery	43.74	-
Electrification	4.61	-
Computer & Accessories	0.01	-
TOTAL	122.75	-

8. Cenvat duty shown as a deduction from the Gross Sales and Service Income represents the amount of cenvat duty collected on sales & service income. Cenvat duty expensed represents the difference between excise duty element in the amounts of closing stocks & opening stocks and excise duty paid which is not recoverable from sales.

9. The stock of Raw Materials amounting to Rs. 963.46 Lacs (Previous Year Rs. 470.25 Lacs) was laying with the job workers for further processing at the close of the year. Out of that confirmations have been received for Rs. 910.84 Lacs (Previous Year Rs. 449.93 Lacs).

10. The confirmations in respect of Sundry Debtors are not called for. Necessary adjustments, if any will be made on settlement of accounts.

11. Profit and Loss includes

1. Managerial Remuneration :

Particulars	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
i) Managing Director's Remuneration (One)		
Salary	90.00	60.00
House Rent Allowance	3.60	3.60
Contribution to provident fund	0.09	0.09
Other Allowances	1.62	-
Commission	65.00	50.00
TOTAL	160.31	113.69



(Rupees in Lacs)		
Particulars	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
ii) Joint Managing Director's Remuneration (Two) :		
Salary	46.88	48.55
House Rent Allowance	5.34	5.70
Contribution to provident fund	0.09	0.09
Performance Incentive	18.00	18.00
Other Allowances	1.58	1.82
TOTAL	<u>71.89</u>	<u>74.16</u>
iii) Executive Director's Remuneration (One)		
Salary	6.00	6.00
House Rent Allowance	1.20	1.20
Contribution to provident fund	0.09	0.09
TOTAL	<u>7.29</u>	<u>7.29</u>

Note : Provision for leave encashment and gratuity benefits which is based on actuarial valuation done on an overall Company basis is excluded from the above.

Computation of Net profit as per section 349 read with section 309(5) and section 198 of the Companies Act, 1956:

(Rupees in Lacs)		
Particulars	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
Profit as per Profit and Loss account	4,411.91	3,310.26
Add:		
Provision for taxation	2,152.72	1,824.17
Managerial remuneration (Including commission)	239.49	195.14
Director's Sitting Fees	2.53	2.10
Depreciation (as per accounts)	251.51	196.42
Loss (Profit) on sale of investments	1.40	5.55
Loss (Profit) on sale of Fixed Assets	6.04	3.92
Provision for doubtful debts & advances	108.95	11.72
Share Issue Expenses & Deferred exhibition expenses written off	0.48	0.48
TOTAL (a)	7,175.03	5,549.76
Less : Depreciation (as per Section 350) (b)	251.51	196.42
Net Profit (a-b)	<u>6,923.52</u>	<u>5,353.34</u>
Remuneration @ 10%	692.35	535.34
Commission : (Subject to the overall ceiling laid down in section 198 and Section 309 of the Companies Act,1956)		
i) 1% of Net Profit to the Managing Director	69.24	53.53
ii) Restricted to	65.00	50.00

2. Auditors Remuneration :

(Rupees in Lacs)		
Particulars	For the year ended on 31 st Mar 2009	For the year ended on 31 st Mar 2008
Audit Fees	8.00	4.00
Tax Audit Fees	1.00	0.60
Certification and other matters	1.18	17.50
	<u>10.18</u>	<u>22.10</u>



12. In the absence of any intimation from vendors regarding the status of their registration under the “Micro, Small and Medium Enterprises Development Act, 2006”, the Company is unable to comply with the disclosures requirement to be made under the said Act.

13. Tax assessment of the company under Income Tax Act 1961, has been completed up to Financial Year 2003-04 and the sales tax assessment up to Financial Year 2005-06.

14. Employee Benefits

Defined Benefit Plans :

(Rupees in Lacs)

Particulars	Gratuity		Leave Encashment	
	2008-09	2007-08	2008-09	2007-08
i Expenses recognized in Profit & Loss Account for the Year				
Current service cost	17.54	8.28	6.57	5.85
Interest Cost	3.28	1.72	1.18	0.54
Expected return on plan assets	(2.41)	(0.33)	-	-
Net actuarial losses (gains)	2.61	9.53	(3.66)	3.95
Total Expenses	21.02	19.20	4.09	10.34
ii Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit Obligation				
Opening defined benefit obligation	41.04	21.50	14.72	6.74
Service cost	17.54	8.28	6.57	5.85
Interest cost	3.28	1.72	1.18	0.54
Actuarial losses (gains)	0.19	9.54	(3.66)	3.95
Losses (gains) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Benefits paid	(29.29)	(4.20)	(0.91)	(2.36)
Closing defined benefit obligation	32.76	36.84	17.90	14.72
iii Reconciliation of Opening and Closing balances of changes in fair Value of plan assets				
Opening fair value of plan assets	28.54	3.86	-	-
Expected return on plan assets	2.41	0.33	-	-
Actuarial gains and (losses)	(2.41)	0.01	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	-	-	-	-
Benefits paid	(0.29)	-	-	-
Closing balance of fair value of plan assets	28.25	4.20	-	-
iv Net Liability recognized in the Balance Sheet				
Defined Benefit Obligation	61.01	41.04	17.90	14.72
Fair Value of plan assets	28.25	4.20	-	-
Present Value of unfunded obligation recognized as liability	32.76	36.84	17.90	14.72
v Actual Return On Plan Assets	-	0.34	-	-
vi Actuarial Assumptions	As at 31st Mar 2009			
Discount Rate	8%			
Expected rate of return on plan assets	8.5% Based on LIC Structure of interest rates on gratuity funds			
Expected rate of salary increase	6%			
Mortality	LIC (1994-96) published table of rates			
Withdrawal Rates	5% at younger ages reducing to 1% at older age			
Retirement Age	58 Years			
Actuarial Valuation Method	Projected Unit Credit Method			



In the absence of the information from insurance companies/fund managers regarding each major category of plan assets and the composition thereof, the company is unable to comply with disclosure requirements under Para 120(h) of the Accounting Standard-15 (Revised 2005).

Defined Contribution Plans :

Rs. 39.27 Lacs (Previous Year Rs. 31.85 Lacs) recognised as an expense and included in the Schedule 16 of Profit and Loss Account under the head "Contribution to Provident and other funds".

15. Segment Reporting

The Company operates in a single segment i.e. "Electric Transformer". In the context of Accounting Standard 17, on Segment Reporting issued by Institute of Chartered Accountant of India, is considered to constitute one single primary segment.

16. Related Party Transactions

(a) Names of related parties and description of relationship:

Sr. No	Nature of Relationship	Name of Related Parties
1	Subsidiaries	Transweld Mechanical Engineering Works Ltd. Transpares Ltd.
2	Associate Company	Savas Engineering Company Pvt. Ltd.
3	Key Management Personnel	Mr. Jitendra U. Mamtora Mr. Satyen J. Mamtora Mr. Bhaskar Sen Mrs. Karuna J. Mamtora
4	Relative of Key Management Personnel	Ms. Janki Jitendra Mamtora Ms. Aakansha Mamtora Mr. Dilip Mamtora Mr. Bipin Mamtora
5	Enterprise over which Key Managerial Personnel is able to exercise significant influence	Benchmark HR Solutions (India) Pvt. Ltd. Harsha Engineers Ltd. Allied Electrical Industries Jitendra U. Mamtora (HUF) Transpower

(b) Details of transactions with related parties :

(Rupees in Lacs)

Nature of Transactions	Subsidiaries		Associate Company		Key Management Personnel		Relative of Key Management Personnel		Enterprise over which Key Managerial Personnel is able to exercise significant influence	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
(A) Volume of Transactions										
1) Service Received										
Transweld Mechanical Engineering Works Ltd.	42.02	63.75								
Transpares Ltd.	7.98	0.36								
Allied Electrical Industries									27.24	22.26
Benchmark HR Solutions (India) Pvt. Ltd.									3.88	-



(Rupees in Lacs)

Nature of Transactions	Subsidiaries		Associate Company		Key Management Personnel		Relative of Key Management Personnel		Enterprise over which Key Managerial Personnel is able to exercise significant influence	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Harsha Engineers Ltd.									1.85	-
2) Service Rendered Allied Electrical Industries									-	0.12
3) Purchase of Goods Transweld Mechanical Engineering Works Ltd. Transpares Ltd. Transpower	1,270.23 962.94	795.22 639.77							3.36	-
4) Sale of Goods Transweld Mechanical Engineering Works Ltd. Transpares Ltd. Allied Electrical Industries Savas Engineering Company Pvt. Ltd. Harsha Engineers Ltd.	11.23 -	5.79 0.71							3.36 47.51	1.37 86.54
5) Capital Goods Sold Transweld Mechanical Engineering Works Ltd. Transpares Ltd. Allied Electrical Industries	- -	23.65 0.71							-	0.36
6) Capital Goods Purchased Transweld Mechanical Engineering Works Ltd. Savas Engineering Company Pvt. Ltd.	75.18	-								
7) Investment In Associates Savas Engineering Company Pvt. Ltd.										
8) Investment In Enterprise Benchmarks HR Solutions (India) Pvt. Ltd.									7.00	-
9) Payment For Acquisition of Shares Ms. Aakansha Mamtora (Savas Engineering Company Pvt. Ltd.)									29.00	-



(Rupees in Lacs)

Nature of Transactions	Subsidiaries		Associate Company		Key Management Personnel		Relative of Key Management Personnel		Enterprise over which Key Managerial Personnel is able to exercise significant influence	
	2008- 09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
10) Loans Taken/ Repaid & Interest thereon										
i) <u>Mr. Jitendra U. Mamtora</u>										
Loan taken					226.20	120.30				
Loan repaid					298.95	182.28				
Interest					18.77	10.08				
Balance at 31st March					-	53.98				
Balance at 1st April					53.98	105.88				
ii) <u>Mr. Satyen J. Mamtora</u>										
Loan taken					1.95	-				
Loan repaid					2.40	0.11				
Interest					0.18	0.03				
Balance at 31 st March					-	0.27				
Balance at 1 st April					0.27	0.35				
iii) <u>Mrs. Karuna J. Mamtora</u>										
Loan taken					7.16	-				
Loan repaid					35.72	0.44				
Interest					3.21	2.13				
Balance at 31st March					-	25.35				
Balance at 1 st April					25.35	23.66				
iv) <u>Mr. Jitendra U. Mamtora (HUF)</u>										
Loan taken									56.94	10.00
Loan repaid									57.84	216.40
Interest									0.76	15.08
Balance at 31st March									-	0.14
Balance at 1st April									0.14	191.46
11) Managerial Remuneration										
Mr. Jitendra U. Mamtora					160.31	113.69				
Mr. Satyen J. Mamtora					57.09	57.09				
Mrs. Karuna J. Mamtora					7.29	7.29				
Mr. Bhaskar Sen					14.80	17.07				



(Rupees in Lacs)

Nature of Transactions	Subsidiaries		Associate Company		Key Management Personnel		Relative of Key Management Personnel		Enterprise over which Key Managerial Personnel is able to exercise significant influence	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
12) Dividend Paid										
Mr. Jitendra U. Mamtora					177.18	-			-	-
Mr. Satyen J. Mamtora					1.94	-			-	-
Mrs. Karuna J. Mamtora					5.35	-			-	-
Mr. Jitendra U. Mamtora (HUF)									13.66	-
Ms. Janki J. Mamtora					0.43	-			-	-
Mr. Bipin Mamtora					-	-			-	-
Mr. Dilip Mamtora					-	-			-	-
13) Dividend Received from subsidiary Transpares Ltd.	10.97	-								
B) Balance As At 31st March										
1) Due to										
Transweld Mechanical Engineering Works Ltd.	160.17	94.12								
Transpares Ltd.	408.40	197.65								
Allied Electrical Industries									-	6.96
Savas Engineering Company Pvt. Ltd.				-	37.63					
Benchmarks HR Solutions (India) Pvt. Ltd.									-	0.36
2) Due from										
Transpower									-	3.20
Savas Engineering Company Pvt. Ltd.			29.28	-						
Harsha Engineering Ltd.									-	59.17

17. Leases

(A) Finance Lease

- (i) In accordance with Accounting Standard 19 "Leases" issued by the Institute of Chartered Accountants of India, the assets acquired on finance lease on or after April 1st, 2001 are capitalised and a loan liability recognized. Consequently, depreciation is provided on such assets, installments paid are allocated to the liability and the interest is charged to the Profit & Loss Account.
- (ii) a) Assets acquired on Lease agreements mainly comprise of Cars. The agreements provide for reimbursement of taxes, levy etc. imposed by authorities in future.
- b) The minimum installments as at 31st March, 2009 and the present values at 31st March, 2009 of minimum installments in respect of assets acquired under the Lease Agreements are as follows:



		(Rupees in Lacs)
Particulars		As At 31 st Mar 2009
Minimum Installments		
1) Payable not later than 1 year		17.73
2) Payable later than 1 year and not later than 5 Years		11.58
3) Payable later than 5 years		-
Total minimum installments		29.31
Less : Future finance charges		2.51
Present value of minimum installments		26.80
Present value of minimum installments		
1) Payable not later than 1 year		15.85
2) Payable later than 1 year and not later than 5 years		10.95
3) Payable later than 5 years		-
Total present value of minimum installments		26.80

(B) Operating Lease

Lease rentals charged to revenue for lease agreements for the right to use the following assets are following:

			(Rupees in Lacs)
Particulars	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008	
Office Premises	5.06	5.04	
Godown	2.34	1.92	

The Lease agreements are executed for a period of 11 months with a renewal clause and also provide for termination at will by either party by giving prior notice.

18. Earning Per Share

Particulars		For the year ended on 31 st Mar 2009	For the year ended on 31 st Mar 2008
Profit after tax and before extraordinary items (Rupees in Lacs)		4,411.91	3,310.26
Net Profit for the period (Rupees in Lacs)	(a)	4,411.91	3,310.26
Profit after tax and before extraordinary items adjusted for Tax on extraordinary items (Rupees in Lacs)	(b)	4,411.91	3,310.26
Weighted Average number of equity shares		12,923,611	7,877,439
Bonus share issued during the year ended 31 st March 2008		Nil	2,836,746
Weighted average number of equity shares	(c)	12,923,611	10,714,185
EPS (Basic & Diluted) (Rs.)	(a) / (c)	34.14	30.90
Nominal value of Equity Shares (Rs.)		10.00	10.00

19. Components of Deferred Tax Liability/(Assets) are as under

		(Rupees in Lacs)	
Particulars		As At 31 st Mar 2009	As At 31 st Mar 2008
(A) Deferred Tax Liability			
Difference between book and tax depreciation		272.80	179.68
	(A)	272.80	179.68
(B) Deferred Tax Assets			
Disallowance under Income Tax Act, 1961		59.97	21.52
Tax benefit on share issue expenses set off against share premium		158.42	158.41
	(B)	218.39	179.93
Net Deferred Tax Liability/(Assets)	(A) – (B)	57.41	(0.25)



20. Information pursuant to the provisions of paragraphs 3,4C & 4D of Part II of Schedule VI to the Companies Act, 1956

(a) Particulars of Capacity : (As certified by management)

Particulars	Unit	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
Licensed Capacity :	MVA	N.A.	N.A.
Installed Capacity :	MVA	7,200	7,200

(b) Details of Products Manufactured, Turnover, Opening Stock and Closing Stock and Purchase and Sales of traded items :
(Rupees in Lacs)

Product/ Year	Opening Stock		Production Qty (Nos)	Turnover		Closing Stock	
	Qty (Nos)	Amount (Rs.)		Qty (Nos)	Amount (Rs.)	Qty (Nos)	Amount (Rs.)
1) Electric Transformer							
2008-09	14	733.91	382	381	42,507.76	15	749.74
2007-08	18	273.86	364	368	30,186.97	14	733.91

2) Trading items

Product/ Year	Opening Stock		Purchase Qty (Nos)	Turnover		Closing Stock	
	Qty (Nos)	Amount (Rs.)		Qty (Nos)	Amount (Rs.)	Qty (Nos)	Amount (Rs.)
Others							
2008-09	-	-	14	14	23.00	-	-
2007-08	-	-	-	-	-	-	-

(c) Particulars of Raw Material consumed :

(Rupees in Lacs)

Indigenous	Unit	For the Year Ended on 31 st Mar 2009		For the Year Ended on 31 st Mar 2008	
		Qty	Value	Qty	Value
Copper Wire	Kgs	2,205,998	7,313.60	1,879,256	6,133.40
Lamination	Kgs	4,390,007	8,865.81	3,806,689	8,403.68
Transformer Oil	Lts	8,908,401	3,889.60	3,681,842	1,358.27
Radiators	Nos	2,399	719.51	2,149	555.65
Others			8,962.31		6,433.80
Total			29,750.83		22,884.80

(d) Value of Imported and Indigenous Raw Materials and tools and percentage thereof to the total consumption :

(Rupees in Lacs)

Particulars		For the Year Ended on 31 st Mar 2009		For the Year Ended on 31 st Mar 2008	
			%		%
Raw Materials	Imported	2,974.10	10.00	728.60	3.19
	Indigenous	26,776.73	90.00	22,156.20	96.81
	Total	29,750.83	100.00	22,884.80	100.00
Tools	Imported	-	-	-	-
	Indigenous	35.85	100.00	32.68	100.00
	Total	35.85	100.00	32.68	100.00

(e) C.I.F. Value of Imports :

(Rupees in Lacs)

Particulars	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
i] Raw Materials	2,974.10	728.59
ii] Capital Goods	1,048.35	72.18

(f) Expenditure in Foreign Currency :

(Rupees in Lacs)

Particulars	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
i] Traveling	43.48	51.95
ii] Other	6.06	Nil

(g) Earnings in Foreign Currency :

(Rupees in Lacs)

Particulars	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
i] FOB Value of Export	1,798.45	1,399.75

21. Previous year's figures have been regrouped wherever necessary.

For C.C.Chokshi & Co.
Chartered Accountants

For and on behalf of board

H. P. Shah
Partner

Tushar Shah
Company Secretary

Jitendra U. Mamtora
Chairman & Managing

Satyen J. Mamtora
Joint Managing Director

Date : 28th April,2009

Date : 28th April,2009



22. Balance Sheet Abstract and Company's General Business Profile as per Schedule VI of the Companies Act, 1956.

(Rupees in Lacs)

1. REGISTRATION DETAILS

Registration No. : 22460 State Code No. : 04
Balance Sheet Date : 31.03.2009

2. CAPITAL RAISED DURING THE YEAR

Public Issue : - Bonus Issue : -
Right Issue : - Private Placement : -
Preferential Allotment : -

3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities : Rs. 30,029.40 Total Assets : Rs. 30,029.40

SOURCES OF FUNDS

Paid up Capital : Rs. 1,292.36 Reserve & Surplus : Rs. 23,169.09
Secured Loans : Rs. 5,510.54 Unsecured Loans : Rs. Nil
Deferred Tax Liability : Rs. 57.41

APPLICATION OF FUNDS

Net Fixed Assets : Rs. 7,898.30 Investments : Rs. 7,821.73
Net Current Assets : Rs. 14,308.89 Misc. Expenditure : Rs. 0.48

4. PERFORMANCE OF COMPANY

Turnover (including other income) : Rs. 43,547.81 Total Expenditure : Rs. 36,983.18
Profit Before Tax : Rs. 6,564.63 Profit After Tax : Rs. 4,411.91
Earning Per Share : Rs. 34.14 Dividend Rate : 40%

5. GENERIC NAME OF PRINCIPAL PRODUCT OF THE COMPANY

Item Code No. 8504

Product Description: - Electric Transformer

For and on behalf of the Board

Jitendra U. Mamtora
Chairman & Managing

Satyen J. Mamtora
Joint Managing Director

Tushar Shah
Company Secretary

FINANCIAL DETAILS OF SUBSIDIARY COMPANIES

Financial details of Subsidiary Companies pursuant to the Central Government Order no. 47/191/2009-cl-iii dated 19.2.2009 under Section 212(8) of the Companies Act, 1956 (Rupees in Lacs)		
Particulars	Transpares Ltd. (51%)	Transweld Mechanical Engineering Works Ltd. (100%)
Share Capital	107.60	25.00
Reserves & Surplus	466.76	249.41
Total Assets	1,045.83	419.28
Total Liabilities	1,045.83	419.28
Investments	7.92	-
Turnover	1,357.79	1,226.15
Profit Before Taxation	203.99	111.80
Provision For Taxation	36.16	27.54
Profit After Taxation	131.15	84.27
Proposed Dividend	32.28	10.00

For and on Behalf of the Board

Place : Ahmedabad
Date : 28th April, 2009

Jitendra U. Mamtora
Chairman And Managing Director



**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANIES**

(Rupees in Lacs)

Sr. No.	Name of the Subsidiary Companies	Transpares Ltd.	Transweld Mechanical Engineering Works Ltd.
1	Financial Year of the Subsidiary Company ended on	31 st Mar 2009	31 st Mar 2009
2	Share of the Subsidiary held on the above date		
	a. Number of Equity Shares	5,48,760	2,50,000
	b. Face Value	Rs.10/-	Rs.10/-
	c. Extent of Holding	51%	100%
3	Net aggregate amount of profit/loss of the subsidiary for the above financial year so far as they concern the members of the Company		
	a) dealt with in the accounts of the Company for the period ended 31st March, 2009	64.26	-
	b) not dealt with in the accounts of the Company for the period ended 31st March, 2009	66.89	84.27
4	Net aggregate amount of the profit/loss of the subsidiary for the previous financial years so far as they concern the members of the Company.		
	a) dealt with in the accounts of the Company for the period ended 31st March, 2008	63.48	-
	b) not dealt with in the accounts of the Company for the period ended 31st March, 2008	66.07	87.73
5	Material changes between the end of the subsidiary's financial year and 31st March, 2009	N.A.	N.A.
	(i) Fixed Assets	-	-
	(ii) Investment made	-	-
	(iii) Money lent by the Subsidiary	-	-
	(iv) Money borrowed by the Subsidiary Company other than for meeting current liabilities	-	-
	(v) Investment disposal	-	-
	(vi) Share Capital	-	-

For and on behalf of Board of Directors

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Join Managing Director

Place : Ahmedabad
Dated : 28th April, 2009

Tushar Shah
Company Secretary



*Consolidated
Financial
Statement*





AUDITOR'S REPORT on Consolidated Financial Statements

To the Board of Directors
Transformers & Rectifiers (India) Limited

We have audited the attached Consolidated Balance Sheet of **Transformers & Rectifiers (India) Limited** ("the Company") and its subsidiaries, as at 31st March 2009 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of a subsidiary company Transweld Mechanical Engineering Works Ltd., whose financial statements reflect total assets of Rs. 584.72 lacs as at 31st March 2009 and total revenues of Rs. 1,226.15 lacs and net cash outflows amounting to Rs. 0.64 lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose report has been furnished to us, and our opinion is based solely on the report of the other auditors.

We did not audit the financial statements of the associate company Savas Engineering Company Pvt. Ltd. The Company's share of profit in the said associate company aggregates to Rs. 5.49 lacs for the year ended 31st March 2009. These financial statements and other financial information have been audited by other auditors whose report has been furnished to us, and our opinion is based solely on the report of the other auditors.

We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, "Consolidated Financial Statements" and Accounting Standard (AS) 23 "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

Based on our audit and on consideration of reports of other auditors on separate financial statements and on other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Company and its subsidiaries as at 31st March, 2009;
- (b) in the case of the Consolidated Profit and Loss Account, of the consolidated profit of the Company and its subsidiaries for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Company and its subsidiaries for the year ended on that date.

For C. C. Chokshi & Co.
Chartered Accountants

H. P. Shah
Partner

Membership No. 33331

Place : Ahmedabad
Date : 28th April 2009

**Consolidated Balance Sheet****As At 31st March, 2009**

(Rupees in Lacs)

	Schedule	As At 31 st Mar 2009	As At 31 st Mar 2008
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	1,292.36	1,292.36
Reserves & Surplus	2	23,549.21	19,633.10
		<u>24,841.57</u>	<u>20,925.46</u>
Minority Interest		281.44	246.23
Loan Funds			
Secured Loans	3	6,088.75	3,569.95
Unsecured Loans	4	-	271.74
		<u>6,088.75</u>	<u>3,841.69</u>
Deferred Tax Liability (Net)		95.53	21.46
(See note no. 16 of Schedule 21)			
TOTAL		<u>31,307.29</u>	<u>25,034.84</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	5,604.95	3,215.41
Less : Depreciation & Amortisation		<u>1,097.71</u>	<u>826.00</u>
Net Block		4,507.24	2,389.41
Add :- Capital Work In Progress		4,134.63	1,917.32
(See note no. 8 of Schedule 21)			
		<u>8,641.87</u>	<u>4,306.73</u>
Investments	6	7,665.45	7,609.17
Current Assets, Loans & Advances			
Inventories	7	5,812.79	6,513.55
Sundry Debtors	8	15,623.40	12,627.16
Cash & Bank Balances	9	1,541.55	1,636.61
Loans & Advances	10	<u>1,114.18</u>	<u>863.05</u>
		24,091.92	21,640.37
Less : Current Liabilities & Provisions	11	<u>9,092.78</u>	<u>8,523.12</u>
Net Current Assets		14,999.14	13,117.25
Miscellaneous Expenditure	12	0.83	1.69
(To the extent not written off)			
TOTAL		<u>31,307.29</u>	<u>25,034.84</u>
Significant Accounting Policies	20		
Notes on Accounts	21		
Schedule 1 to 21 form part of this Balance Sheet			

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered AccountantsJitendra U. Mamtora
Chairman & Managing DirectorSatyen J. Mamtora
Join Managing DirectorH.P.Shah
PartnerTushar Shah
Company SecretaryPlace : Ahmedabad
Dated : 28th April, 2009Place : Ahmedabad
Dated : 28th April, 2009



Consolidated Profit & Loss Account

For the Year Ended on 31st March, 2009

(Rupees in Lacs)

	Schedule	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
INCOME			
Sale of Goods Manufactured (Gross)		48,294.65	35,020.21
Sale of Goods Traded in		23.00	-
Service Income (Gross)		<u>360.73</u>	<u>142.53</u>
		48,678.38	35,162.74
Less :Cenvat Duty recovered on sales and Service Income (See note no. 9 of Schedule 21)		<u>5,628.50</u>	<u>4,592.19</u>
Net Sales & Service Income		43,049.88	30,570.55
Other Income	13	<u>1,080.81</u>	<u>590.77</u>
TOTAL		<u>44,130.69</u>	<u>31,161.32</u>
EXPENDITURE			
Raw Materials Consumed		29,486.29	22,838.18
Decrease/(Increase) in stock of Finished goods and Process Stock	14	1,149.44	(1,976.19)
Trading Goods Purchased		30.18	-
Manufacturing Expenses	15	1,191.37	746.50
Payments to and Provision for Employees	16	899.41	693.69
Selling, Distribution, Administrative and Other Expenses	17	3,512.89	2,446.27
Finance Charges	18	747.90	810.86
Depreciation & Amortisation		<u>280.37</u>	<u>215.44</u>
TOTAL		<u>37,297.85</u>	<u>25,774.75</u>
Profit Before Tax		<u>6,832.84</u>	<u>5,386.57</u>
Provision For Taxation	19	2,265.00	1,834.39
Short Provision of Taxation of Earlier years		<u>(11.84)</u>	<u>30.16</u>
Net Profit Before Minority Interest		<u>4,579.68</u>	<u>3,522.02</u>
Less: - Minority Interest		61.58	61.69
Add: - Share in Profit/(Loss) of Associates		<u>5.49</u>	<u>-</u>
Net Profit After Minority Interest		<u>4,523.59</u>	<u>3,460.33</u>
Balance of Profit & Loss Account Brought Forward From Previous Year		<u>5,372.20</u>	<u>2,573.71</u>
Available for Appropriation		<u>9,895.79</u>	<u>6,034.04</u>
Appropriations			
Proposed Dividend		516.94	269.02
Tax on Dividend		90.54	45.72
Transferred to General Reserve		506.89	357.65
Balance Carried to Balance Sheet		<u>8,781.42</u>	<u>5,372.20</u>
TOTAL		<u>9,895.79</u>	<u>6,044.59</u>
Basic & Diluted Earning Per Share (Rs.)			
After Extraordinary Items		35.00	32.30
Before Extraordinary Items		35.00	32.30
(See note no. 15 of Schedule 21)			
Significant Accounting Policies	20		
Notes on Accounts	21		
Schedule 1 to 21 form part of this Balance Sheet			

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered AccountantsJitendra U. Mamtora
Chairman & Managing DirectorSatyen J. Mamtora
Join Managing DirectorH.P.Shah
PartnerTushar Shah
Company SecretaryPlace : Ahmedabad
Dated : 28th April, 2009Place : Ahmedabad
Dated : 28th April, 2009



Consolidated Cashflow Statement

For the Year Ended on 31st March, 2009

(Rupees in Lacs)

PARTICULARS	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
(A) Cash Flow from Operating Activities		
Profit Before Tax	6,832.84	5,386.57
Adjustments for:		
(Profit) / Loss on Sale of Fixed Assets	6.04	3.92
Reversal of Provision for Onerous Contracts.	-	(46.13)
Unrealised Foreign Exchange (Gains)\Losses	(141.55)	21.91
Provision for Doubtful Debts Reversed	(10.00)	-
Provision for Diminution in Value of Investment	3.33	-
Provision for Doubtful Debts	108.95	25.44
Dividend Income	(401.02)	(178.07)
Interest Income	(232.13)	(113.69)
Depreciation & Amortisation	280.36	215.44
(Profit)/Loss on Sale of Investments (Net)	1.40	3.30
Finance Charges	749.06	810.86
Miscellaneous Expenditure Written Off	0.84	0.86
Operating Profit before Working Capital Changes	<u>7,198.12</u>	<u>6,130.41</u>
Adjustment For :		
Trade & Other Receivables	(3,536.58)	(5,794.37)
Inventories	700.68	(2,397.20)
Trade & Other Payables	475.78	49.28
Cash Generated From Operations	<u>4,838.00</u>	<u>(2,011.88)</u>
Direct Taxes Paid	<u>(2,083.01)</u>	<u>(2,066.98)</u>
NET CASH FROM OPERATING ACTIVITIES-(A)	<u>2,754.99</u>	<u>(4,078.86)</u>
(B) Cash Flow From Investing Activities		
Purchase of Fixed Assets	(4,631.02)	(2,113.76)
Sale of Fixed Assets	9.50	2.60
Investment in Mutual Funds (Net)	(21.20)	(7,591.22)
Long Term Investment in Subsidiaries	(29.00)	-
Long Term Investment in Associates	(5.32)	-
Dividend Received	395.54	178.07
Interest Received	232.13	158.18
NET CASH USED IN INVESTING ACTIVITIES-(B)	<u>(4,049.37)</u>	<u>(9,366.13)</u>
(C) Cash Flow From Financing Activities		
Proceeds From Borrowings	4,240.51	3,159.17
Repayment of Borrowings	(1,993.46)	(2,490.63)
Proceeds From Initial Public Offering of Equity Shares including Share Premium	-	13,926.75
Share Issue Expenses	-	(307.66)
Unclaimed Share Application money lying in escrow account	(134.54)	-
Finance Charges Paid	(749.06)	138.10
Dividends Paid	(305.59)	(808.98)
NET CASH FROM FINANCING ACTIVITIES-(C)	<u>1,057.86</u>	<u>13,616.75</u>
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	<u>(236.52)</u>	<u>171.76</u>
ADD : CASH & CASH EQUIVALENTS-OPENING BALANCE	252.05	80.29
CASH & CASH EQUIVALENTS-CLOSING BALANCE	<u>15.53</u>	<u>252.05</u>
Note:		
1 Cash And Cash Equivalents Includes:	As At 31st Mar 2009	As At 31st Mar 2008
Cash On Hand	5.49	2.50
With Scheduled Banks		
In Current Accounts	6.00	111.45
Unclaimed Share application money lying in escrow account	3.56	138.10
Unclaimed Dividend money lying in escrow account	0.48	-
Total	<u>15.53</u>	<u>252.05</u>

- 2 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- 3 The previous year's figures have been regrouped wherever necessary to make them comparable with this year figures.

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered AccountantsJitendra U. Mamtora
Chairman & Managing DirectorSatyen J. Mamtora
Join Managing DirectorH.P.Shah
PartnerTushar Shah
Company SecretaryPlace : Ahmedabad
Dated : 28th April, 2009Place : Ahmedabad
Dated : 28th April, 2009



Schedules Forming part of the Consolidated Accounts

(Rupees in Lacs)

	As At 31 st Mar 2009	As At 31 st Mar 2008
Schedule 1 : Share Capital		
Authorised		
15,000,000 Equity Shares of Rs. 10/- each	1,500.00	1,500.00
	<u>1,500.00</u>	<u>1,500.00</u>
Issued, Subscribed and Paid Up		
12,923,611 Equity Shares of Rs. 10/- each fully paid up (Refer note no. 3 of Schedule 21)	1,292.36	1,292.36
TOTAL	<u>1,292.36</u>	<u>1,292.36</u>

Notes:

Of the above shares: -

- (i) 4,747,466 Equity Shares have been allotted as fully paid up by way of bonus shares by capitalisation of Securities Premium Rs. 377.63 Lacs, General Reserve Rs. 65.00 Lacs and Surplus in Profit and Loss Account Rs. 32.11 Lacs.
- (ii) 157,260 Equity Shares have been issued on preferential basis.
- (iii) 117,085 Equity Shares have been issued pursuant to a contract without payment being received in cash.

Schedule 2 : Reserves & Surplus

Securities Premium Account		
As Per Last Balance Sheet	13,508.13	472.21
Less :Capitalised by issue of Bonus shares	-	283.67
Add :Premium on issue of Equity Shares pursuant to Initial Public Offering	-	13,627.25
Less :Share Issue Expenses Written Off [Net of tax] (Refer Note no. 5 of Schedule 21)	-	307.66
	<u>13,508.13</u>	<u>13,508.13</u>
Capital Reserve on Consolidation	46.29	46.29
General Reserve		
As Per Last Balance Sheet	706.48	360.21
Less :Adjustment for provision for employee benefits [Net of tax]	-	11.38
Add :Amount transferred from Profit and Loss Account	<u>506.89</u>	<u>357.65</u>
	1,213.37	706.48
Surplus in Profit & Loss Account	8,781.42	5,372.20
TOTAL	<u>23,549.21</u>	<u>19,633.10</u>



Schedules Forming part of the Consolidated Accounts

(Rupees in Lacs)

	As At 31 st Mar 2009	As At 31 st Mar 2008
Schedule 3 : Secured Loan		
From Banks		
Cash Credit Accounts (Note : 1)		
(a) In Rupees	4,768.85	3,098.27
(b) In Foreign Currency	887.60	-
Term Loan - I (Note : 2)	352.37	437.97
Hire Purchase Loans (Note : 3)	26.80	30.72
Interest Accrued and Due	53.13	2.99
TOTAL	<u>6,088.75</u>	<u>3,569.95</u>

Notes:

- 1) Secured by hypothecation of current assets of the Company on paripassu basis and collaterally secured by residual value of net fixed assets of the company excluding fixed assets of Moraiya plant and also collaterally legal mortgage on paripassu basis on immovable properties situated at Changodar, Doraji and Ahmedabad and in addition to above secured by pledge of equity shares of promoters and personal guarantees of some directors.
- 2) Secured by first hypothecation charge on entire fixed assets of the Company, except fixed assets of Moraiya Plant and also collaterally legal mortgage on paripassu basis on immovable properties situated at Changodar, Doraji and Ahmedabad and in addition to above secured by pledge of equity shares of promoters and personal guarantees of some directors.
- 3) Secured by lien on vehicles purchased under hire purchase agreements.
- 4) Payable within 12 months out of the above loans is Rs. 103.95 Lacs (Previous year Rs. 84.79 Lacs).

Schedule 4 : Unsecured Loans

Loan from Directors	-	79.74
Loan from a Bank	-	192.00
TOTAL	<u>-</u>	<u>271.74</u>

Note: Payable within 12 months out of the above loans is Rs. Nil (Previous Year Rs.192.00 Lacs).



Schedules forming part of the Consolidated Accounts

Schedule 5 : Fixed Assets

(Rupees in Lacs)

Assets	Gross Block (At Cost)			Depreciation & Amortisation			Net Block		
	As At 1 st Apr 08	Additions	Deductions/ Adjustment	As At 31 st Mar 09	As At 1 st Apr 08	Additions	Deductions/ Adjustment	As At 31 st Mar 09	As At 31 st Mar 08
Goodwill	119.07	-	-	119.07	47.62	23.81	-	47.64	71.45
Land	166.09	8.02	-	174.11	-	-	-	174.11	166.09
Building	716.44	921.18	-	1,637.62	137.09	25.65	-	1,474.88	579.35
Plant & Machinery	1,349.85	1,197.55	-	2,547.40	404.86	140.40	-	2,002.14	944.99
Electrifications	146.76	165.51	-	312.27	41.69	14.35	-	256.23	105.07
Furniture & Fixtures & Office Equipments	254.92	33.32	0.49	287.75	44.39	18.57	-	224.79	210.53
Computer & Accessories	110.20	25.69	-	135.89	69.36	13.19	-	53.34	40.84
Computer Software	58.20	5.32	-	63.52	21.35	15.60	-	26.57	36.85
Vehicles	293.88	57.63	24.20	327.31	59.64	28.80	8.65	247.52	234.24
TOTAL	3,215.41	2,414.22	24.69	5,604.94	826.00	280.37	8.65	4,507.22	2,389.41
Capital Work in Progress								4,134.63	1,917.32
Previous Year	2,516.13	729.27	29.99	3,215.41	614.28	215.44	3.72	2,389.41	1,901.85

Notes:

- 1 Fixed assets include Rs. 77.59 Lacs (Previous Year Rs. 98.59 Lacs) being cost of asset purchased on hire purchase basis on which the vendors have a lien.
- 2 Additions to fixed assets includes interest of Rs. 14.24 Lacs (Previous Year Rs.14.58 Lacs) capitalised.
- 3 Capital work in progress includes Rs 475.72 Lacs (Previous Year Rs. 577.58 Lacs) on account of advance against Capital Expenditure and Pre-operative expenditure of Rs. 19.06 Lacs (Previous year Rs. 59.13 Lacs).



Schedules Forming part of the Consolidated Accounts

(Rupees in Lacs)

	As At 31 st Mar 2009	As At 31 st Mar 2008
Schedule 6 : Investments		
Investment in Associate Company (Unquoted)		
Face value of Rs. 10/- each, Fully Paid up :		
5,100 Equity Shares of Savas Engineering Company Pvt. Ltd. (Refer note no. 4 of Schedule 21)	39.89	-
Less :- Capital Reserve	(10.89)	-
Add: - Share in Profit/(Loss) of Associates	5.49	-
Net Value of Investment	<u>34.49</u>	<u>-</u>
Non - Trade Investments		
Investment in other Companies (Unquoted)		
Face value of Rs. 10/- each, Fully Paid up :		
1,900 Equity Shares of Benchmark HR Solutions (India) Pvt. Ltd.	5.32	-
Face value of Rs. 100/- each, Fully Paid up :		
1,250 Equity Shares of The Bhagyodaya Co-operative Bank Ltd.	1.25	1.25
Current Investments		
Units of Mutual funds (Quoted)		
Face value of Rs. 10/- each, Fully Paid up :		
10,093,353 Units of Lotus India FMP	-	1,009.34
10,077,096 Units of SBNPP-FIIP-Plan C	-	1,008.00
15,294,630 Units of Birla Short term Fund	-	1,529.47
10,082,749 Units of UTI Fixed Maturity Plan	-	1,008.27
5,000,000 Units of Reliance FHF	-	500.00
100,000 Units of SBI Bluechip Fund	10.00	10.00
13,815,337 Units of SBI SHF Ultra	1,382.22	-
121,122 Units of Reliance MMF	1,212.60	-
5,109,227 Units of LIC Income Plus fund	510.92	-
5,769,813 Units of ICICI Flexible Income Plan	610.07	-
4,905,242 Units of HDFC Liquid Fund	601.37	-
7,975,451 Units of SBI PLF	800.14	-
Face value of Rs. 1000/- each, Fully Paid up :		
50,247 Units of AIG STF	-	502.48
203,823 Units of Reliance LPF	-	2,040.36
897,401 Units of Tata Liquid SHIF	1,000.17	-
9,813,631 Units of Reliance Liquid Treasury Fund	1,500.23	-
Provision for Diminution in Value of Investment	(3.33)	-
TOTAL	<u>7,665.45</u>	<u>7,609.17</u>
Unquoted Investments		
In Equity Shares Cost price	1.25	1.25
Mutual Funds Cost price	7,627.72	7,607.92
Repurchase value	7,624.39	7,627.17



Schedules Forming part of the Consolidated Accounts

(Rupees in Lacs)

	As At 31 st Mar 2009	As At 31 st Mar 2008
Note: Investments purchased and sold during the year		
Mutual Funds	Units	Cost Price
Aig India Treasury Plus Fund	5,043,524	504.90
Bharti Axa Liquid Fund	50,102	501.02
Bharti Axa Treasury IP Fund	50,000	500.00
Birla Sunlife Cash Plus IP	15,996,080	1,602.73
Birla Sunlife Savings Fund	15,990,027	1,600.09
DSP Black Rock Cash Manager Fund	106,083	1,060.93
DSP Black Rock Money Manager Fund	105,915	1,060.00
DWS Credit Opportunities Fund	9,966,115	1,000.00
HDFC Cash Management Fund	19,938,011	2,000.08
HDFC Floating Rate Scheme	5,952,675	600.08
HDFC Liquid Premium Plan	13,052,860	1,600.25
ICICI Flexible Income Plan - Daily Dividend	4,019,483	425.00
ICICI Flexible Income Plan	19,224,201	2,032.67
ICICI Prudential Super Ip	10,556,418	1,055.69
ICICI Prudential Interval Fund Quarterly Plan - III	10,326,709	1,032.67
JP Morgan India Liquid Plus Fund	499,555	50.00
Kotak Debt Equity Fund	10,450,361	1,050.00
LIC Liquid Fund - Dividend Plan	14,618,704	1,605.15
LIC Liquid Fund - Growth Plan	14,122,820	2,150.82
LICmf Income Fund Plus Daily Dividend Plan	38,559,690	3,855.97
Mirae Asset Liquid Plus Fund	50,097	501.32
Mirae Asset Liquid Plus Fund	4,993	50.00
Mirae Asset Super Ip Fund	99,860	1,000.00
Reliance Fixed Horizon Fund S-2	5,861,078	586.11
Reliance Liquid Fund Treasury Plan	57,130,353	8,733.63
Reliance Liq Plus Fund	354,922	3,553.25
Reliance Medium Term Fund	37,455,644	6,403.23
Reliance Monthly Interval Fund	9,992,406	1,000.00
SBI Premier Liquid Fund - Daily Dividend	5,980,563	600.00
SBI Premier Liquid Fund - Super Institutional Daily Dividend	59,998,776	5,222.47
SBI Shf Ultra Short Term Fund	44,671,437	4,469.38
Tata Fixed Maturity Fund	496,747	50.03
Tata Floater Fund	1,000,038	100.36
UTI Liquid Cash Plan	100,153	1,520.21
UTI Treasury Advantage Fund	99,986	1,000.07
Shares of Other Companies		
Equity Shares of Benchmark HR Solutions (India) Pvt. Ltd.	600.00	1.68



Schedules Forming part of the Consolidated Accounts

(Rupees in Lacs)

	As At 31 st Mar 2009	As At 31 st Mar 2008
Schedule 7 : Inventories		
(Raw Materials, Process Stock and Finished Goods are valued at lower of cost and net realisable value)		
Stock- in -Trade		
Raw Materials		
[Including Goods in Transit Rs. 121.04 Lacs (Previous Year Rs. 490.79 Lacs)]	2,475.24	2,023.11
Finished Goods	825.58	791.99
Process Stock	2,511.97	3,698.45
TOTAL	<u>5,812.79</u>	<u>6,513.55</u>

Schedule 8 : Sundry Debtors (Unsecured)

Exceeding Six months		
Considered Good	2,795.92	2,589.50
Considered Doubtful	156.71	61.48
Others Debts		
Considered Good	12,827.48	10,037.66
	<u>15,780.11</u>	<u>12,688.64</u>
Less : Provision for Doubtful Debts	156.71	61.48
TOTAL	<u>15,623.40</u>	<u>12,627.16</u>

Note: Other Debts includes Rs.Nil (Previous Year Rs. 0.03 Lacs) due from Partnership Firm in which Director of the Company is a Partner:- [Maximum balance outstanding during the year Rs. 0.03 Lacs (Previous Year Rs. 0.03 Lacs)].

Schedule 9 : Cash & Bank Balances

Cash & Cheques on hand	5.48	2.50
<u>Balances with Scheduled Banks:</u>		
In Current Accounts	6.00	111.45
In Fixed Deposit Accounts	1,526.03	1,384.56
(Lodged with banks as securities for guarantees given by the bankers)		
Share application money pending refund lying in escrow account	3.56	138.10
Unclaimed Dividend money lying in escrow account	0.48	-
TOTAL	<u>1,541.55</u>	<u>1,636.61</u>



Schedules Forming part of the Consolidated Accounts

(Rupees in Lacs)

	As At 31 st Mar 2009	As At 31 st Mar 2008
Schedule 10 : Loans & Advances		
(Unsecured)		
Considered Good		
Advances recoverable in cash or in kind or for value to be received	139.12	190.25
Advances to suppliers	84.93	163.14
Other Advances	132.40	50.62
Deposits and balances with government and other authorities	548.40	202.49
Other deposits	181.20	200.95
Interest receivable	28.13	55.60
TOTAL	<u>1,114.18</u>	<u>863.05</u>

Schedule 11 : Current Liabilities & Provisions

Current Liabilities

Sundry Creditors :

a) Micro, Small & Medium Enterprises (to the extent identified with available information)	-	-
b) Others	5,622.07	5,447.57
	<u>5,622.07</u>	<u>5,447.57</u>
Advance From Customers	1,799.89	1,600.08
Other Liabilities	620.54	661.68
Investor Education and Protection fund		
Unclaimed Share Application Money	3.56	138.10
Unclaimed Dividend	0.48	-
Interest accrued but not due on loans	3.19	17.73
	<u>8,049.73</u>	<u>7,865.16</u>
Provisions		
Proposed Dividend	516.94	258.47
Tax on Proposed Dividend	90.54	45.72
Provision For Gratuity	34.36	39.85
Provision For Leave Encashment	21.28	17.35
Provision For Taxation (Net Of Advance Tax Paid)	379.93	296.57
	<u>1,043.05</u>	<u>657.96</u>
TOTAL	<u>9,092.78</u>	<u>8,523.12</u>

Note : There is no amount due and outstanding as at balance sheet date to be credited to Investor Education and Protection Fund.

Schedule 12 : Miscellaneous Expenses

(To the extent not written off or adjusted)

Exhibition Expenses	0.01	0.04
Less : Written Off	0.01	0.02
	<u>-</u>	<u>0.02</u>
Share Issue Expense	1.67	2.51
Less : Written Off	0.84	0.84
	<u>0.83</u>	<u>1.67</u>
TOTAL	<u>0.83</u>	<u>1.69</u>



Schedules Forming part of the Consolidated Profit and Loss Account

(Rupees in Lacs)

	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
Schedule 13 : Other Income		
Interest Received on Fixed Deposits with Banks [Tax Deducted At Source: Rs. 41.13 Lacs (Previous Year Rs. 12.31 Lacs)]	232.14	113.69
Interest Received From Others [Tax Deducted At Source: Rs. 1.49 Lacs (Previous Year Rs. Nil)]	12.26	-
Dividend Income		
On Non trade investments - Investments in Mutual Funds	401.02	178.07
Insurance Claim Received	52.25	30.91
Provision for Onerous Contracts Reversed	-	46.13
Miscellaneous Amount Written Back	33.34	-
Excess Provision no Longer required written back	10.00	12.35
Bad Debts Recovered	10.37	1.00
Scrap Sales	322.81	175.12
Miscellaneous Income	6.62	33.50
TOTAL	<u>1,080.81</u>	<u>590.77</u>

Schedule 14 : Decrease/(Increase) in stock of Finished Goods and Process stock

Closing Stock		
Finished Goods	825.49	791.99
Process Stock	<u>2,515.73</u>	<u>3,698.45</u>
	3,341.22	4,490.44
Less : Opening Stock		
Finished Goods	791.99	300.26
Process Stock	<u>3,698.67</u>	<u>2,213.99</u>
	4,490.66	2,514.25
TOTAL	<u>1,149.44</u>	<u>(1,976.19)</u>

Schedule 15 : Manufacturing Expenses

Power & Fuel	204.18	134.49
Job Work Charges & Other Mfg. Expenses	108.68	3.00
Repairs		
Plant and Machinery	114.14	60.27
Factory Building	22.77	25.82
Tools Purchase	51.52	43.29
Workers Wages	307.57	233.48
Testing Charges & Other Manufacturing Expenses	373.42	232.91
Cenvat Duty provided on Stocks	9.09	13.24
TOTAL	<u>1,191.37</u>	<u>746.50</u>



Schedules Forming part of the Consolidated Profit and Loss Account

(Rupees in Lacs)

For the Year Ended
on 31st Mar 2009

For the Year Ended
on 31st Mar 2008

Schedule 16 : Payments to and Provisions for Employees

Salaries, Bonus, Gratuity, etc.	840.56	620.73
Contribution to Provident and other funds	41.41	33.13
Employee welfare expenses	17.44	39.83
TOTAL	<u>899.41</u>	<u>693.69</u>

Schedule 17 : Selling, Distribution, Administrative and Other Expenses

Selling Expenses	326.01	351.95
Discount, Rebates & Allowances	37.25	-
Advertisement Expenses	66.36	39.73
Insurance	41.14	41.09
Stationary, Printing, Postage and Telephone Expenses	98.94	68.71
Rent	11.30	6.61
Repairs		
Office Building	2.50	6.98
Others	6.60	5.17
Rates and Taxes	2.14	0.78
Travelling Expenses & Conveyance	278.96	240.52
Directors Siting Fees	2.53	2.10
Bank Charges	328.63	310.80
Legal & Professional Charges	82.02	42.46
Audit Fees	9.50	5.50
Sales Commission	238.23	139.52
Late Delivery Charges	1,662.60	1,043.31
General Charges	153.63	50.81
Bad Debts Written off	6.55	9.52
Provision for Doubtful Debts	108.95	25.44
Foreign Exchange Loss (Net)	18.80	21.91
Cenvat Duty Expense	8.80	10.58
Sales Tax Expenses	9.84	2.01
Loss on Sale of Fixed Assets	6.04	3.92
Loss on Sale of Investments	1.40	3.30
Diminution in Value of Current Investment	3.33	-
EMD Written off	-	12.69
Miscellaneous Expenses written off		
Deferred Exhibition Expenses	-	0.02
Share Issue Expenses	0.84	0.84
TOTAL	<u>3,512.89</u>	<u>2,446.27</u>



Schedules Forming part of the Consolidated Profit and Loss Account

(Rupees in Lacs)

	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
Schedule 18 : Finance Charges		
Interest on Fixed Loans from		
Banks	580.93	598.81
Directors	57.95	32.71
	<u>638.88</u>	<u>631.52</u>
Interest - Others	51.09	9.34
Bill discounting charges	57.93	170.00
TOTAL	<u>747.90</u>	<u>810.86</u>

Schedule 19 : Provision for Taxation

Current Tax	2,164.92	1,781.78
Deferred Tax	74.08	32.73
Fringe Benefit Tax	26.00	19.88
TOTAL	<u>2,265.00</u>	<u>1,834.39</u>



Schedule 20 : Significant Accounting Policies of Consolidated Accounts

1) **Accounting Convention**

The consolidated financial statements are prepared on historical cost basis and based on accrual method of accounting and applicable Accounting Standards by consolidating the accounts of Parent Company with its subsidiaries in accordance with generally accepted accounting principles and in consonance with Accounting Standard 21 (Consolidated Financial Statements) issued by the Institute of Chartered Accountants of India.

2) **Principles of Consolidation**

- a) The financial statements of the Parent Company and its Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealized profits/losses on intra-group transactions. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the Balance Sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the consolidated entities. The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the parent Company for its separate financial statements.
- b) The difference between the cost of investment in the Subsidiaries, over the net assets at the time of acquisition of shares in the Subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.

3) **Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/materialized.

4) **Fixed Assets**

- a) Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. The cost of Fixed Assets includes non-refundable taxes and levies, freight and other incidental expenses related to acquisition and installation of the respective assets.
- b) Certain computer software costs are capitalised and recognised as intangible assets in terms of Accounting Standard 26 on intangible assets based on materiality, accounting prudence and significant economic benefits expected to flow there from for a period longer than 1 year. Capitalised cost include direct cost of implementation and expenses directly attributable to the implementation.
- c) The Company evaluates the impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired the impairment loss is then recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest level for which there are separately identifiable cash flows.

5) **Depreciation and Amortisation**

- a) Depreciation on fixed assets is provided on Straight Line Method in accordance with Section 205(2)(b) of the Companies Act, 1956 at the rate and in the manner prescribed in Schedule XIV of the said Act.
- b) Computer software costs capitalised are amortised using the Straight Line Method over estimated useful life of 3 to 5 years, as estimated at the time of capitalisation.

6) **Investments**

- a) Long Term investments are stated at cost and provision is made to recognise any diminution in value, other than that of temporary nature.
- b) Current investments are carried at lower of cost and market value. Diminution in value is charged to the profit and loss account.

7) **Inventories**

- a) Raw Materials, Process Stock and Finished Goods are valued at lower of cost or net realisable value.
- b) Cost for Raw Materials is determined on Weighted Average/FIFO basis, net of cenvat credit availed.
- c) Cost for Finished Goods and Process Stock is determined taking material cost [Net of cenvat credit availed] labour and relevant appropriate overheads and cenvat duty.

8) **Revenue Recognition**

In appropriate circumstances, Revenue (Income) is recognised when no significant uncertainty as to determination or realisation exists.

9) **Sales/Service Income**

Sales are accounted on despatch of goods. Export sales are accounted on the basis of date of Bill of lading. Sales value is inclusive of Cenvat Duty and but does not include other recoveries such as insurance charges, transport charges etc. Service income excludes service tax.



- 10) **Cenvat credit**
Cenvat credit is accounted for on accrual basis on purchase of eligible inputs, capital goods and services.
- 11) **Foreign Currency Transactions**
(a) Monetary items denominated in foreign currency are translated at the exchange rate prevailing on the last day of the accounting year. Foreign currency transactions are accounted at the rate prevailing on the date of transaction.
(b) Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.
(c) Gain or loss arising out of translation/conversion is taken credit for or charged to the Profit and Loss Account.
- 12) **Prior Period Expenses/Income**
Material items of prior period expenses/income are disclosed separately.
- 13) **Employees Benefits**
a) **Defined Contribution Plan**
The Company's contributions paid / payable for the year to Provident Fund are recognised in the Profit and Loss Account.
b) **Defined Benefit Plan**
The Company's liabilities towards gratuity, and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognized immediately in the profit and loss account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.
- 14) **Borrowing Cost**
Interest and other costs in connection with the borrowings of the funds to the extents related/attribution to the acquisition /construction of qualifying fixed assets are capitalised upto the date when such assets are ready for their intended use and other borrowing costs are charged to Profit and Loss Account.
- 15) **Miscellaneous Expenditure**
Shares issue expenses incurred are amortised over a period of five years.
- 16) **Taxes on Income**
Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with provision of Income Tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or subsequently enacted as on the balance sheet date. The Deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.
- 17) **Leases**
Lease transaction entered into on or after April 1, 2001:
a) Assets acquired under lease where the company has substantially all risk and rewards incidental to ownership are classified as finance leases. Such assets are capitalised at the inception of lease at the lower of fair value or the present value of minimum lease payment and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability of each period.
b) Assets acquired on lease where a significant portion of risk and rewards incidental to ownership is retained by the lessor are classified as operating lease. Lease rental are charged to the profit and loss account on accrual basis..
- 18) **Earnings Per Share**
The Parent Company and its Subsidiaries reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.
- 19) **Provisions, Contingent Liabilities and Contingent Assets**
Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

**Schedule 21 : Notes Forming Part of Consolidated Accounts****1. Details of Subsidiaries/Associate**

The consolidated financial statements (CFS) comprise the financial statements of the Parent Company, Transformers and Rectifiers (India) Limited and the following Subsidiaries and Associate:

Name of the Companies	Type	Country of Incorporation	Proportion of Ownership	Date of Investment
Transweld Mechanical Engineering Works Ltd.	Subsidiary	India	100 %	1 st Aug 2006
Transpares Ltd.	Subsidiary	India	51 %	2 nd Oct 2006
Savas Engineering Company Pvt. Ltd.	Associate	India	50%	1 st Oct 2008

2. Contingent Liabilities in respect of

(Rupees in Lacs)

Particulars	As At	As At
	31 st Mar 2009	31 st Mar 2008
a) Disputed demand of Central Excise Department / Income tax Department	292.70	233.13
b) Guarantee given by bankers on behalf of Company	11,712.96	6,800.40
c) Corporate Guarantees given by Company for loan taken by a Subsidiary Company	1,281.00	-
d) Performance Guarantees given by Company	72.87	2,775.12
e) Bills Discounted with Banks	731.17	2,059.24
f) Import duty benefit towards duty free import of raw materials made in respect of which export obligations are yet to be discharged.	105.83	101.20
g) Claims against Company not acknowledged as debts	Amount not ascertained	Amount not ascertained

3. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for Rs. 1,573.51 Lacs (Previous year Rs. 2,470.40 Lacs).

4. During the year the Company has acquired 5,100 equity share (50% stake) of Savas Engineering Company Pvt. Ltd. Savas Engineering Company Pvt. Ltd. is engaged in manufacturing & supply of Transformer Equipments. It is specialized in manufacturing of Vapor Phase Drying Machine.

5. Initial Public Offering (IPO)

During Financial Year 2007-08 the Parent Company completed its Initial Public Offering (IPO) comprising of 2,995,000 Equity Shares of Rs. 10/- each at a price of Rs. 465/- per share aggregating to Rs. 13,926.75 Lacs. The share premium of Rs. 455/- per share, amounting to Rs. 13,627.25 Lacs was credited to Share Premium Account. The share issue expenses amounting to Rs. 307.66 Lacs (Net of tax of Rs. 158.41 Lacs) were adjusted to Share Premium Account.

The details of Funds raised through Initial Public Offering and utilisation of such funds is as under:

(Rupees in Lacs)

Particulars	Amount
Funds raised through the Initial Public Offering	13,926.75
Utilisation of Funds till 31 st March, 2009	
Expenditure on development /construction of the projected as stated in the object clause of the Prospectus	5,873.75
Repayment of high cost debts	2,450.00
Towards working capital requirement	736.93
Expenses in connection with Issue of Equity Shares	466.07
Balance as on 31 st March, 2009, temporarily invested in debt mutual funds	4,400.00



6. In view of withdrawal of the Announcement issued by the Institute of Chartered Accountants of India on 'Treatment of Exchange Differences under Accounting Standard (AS) 11 (revised 2003), The Effects of Changes in Foreign Exchange Rates vis-à-vis Schedule VI to the Companies Act, 1956', effective from the current accounting period, any income or expense on account of exchange difference related to foreign exchange liabilities pertaining to purchase of fixed assets is recognised in the Profit and Loss Account instead of giving effect thereof to the cost of the fixed assets. This change has resulted into decrease in the profit of the Company for the year ended 31 March, 2009 by Rs. 12.19 Lacs (Previous Year Rs. 7.23 Lacs)
7. Foreign currency exposures not hedged by derivative instruments as at 31st March, 2009 on exports amount to Rs. 1,222.75 Lacs (Previous Year Rs. 8.09 Lacs) and on imports amount to Rs. 1,050.63 (Previous Year Rs. Nil)
8. Capital Work In Progress includes preoperative expenditure pending allocation to a project under implementation are as under:

(Rupees in Lacs)

Preoperative Expenses	As At 31 st Mar 2009	As At 31 st Mar 2008
Legal & Professional	-	25.88
Electricity Charges	8.20	17.29
Interest	-	15.43
Other Incidental Charges	10.86	0.52
TOTAL	19.06	59.12

Details of Preoperative expenses capitalised during the year :

(Rupees in Lacs)

Fixed Asset	As At 31 st Mar 2009	As At 31 st Mar 2008
Land	7.74	-
Building	66.65	-
Plant & Machinery	43.74	-
Electrification	4.61	-
Computer & Accessories	0.01	-
TOTAL	122.75	-

9. Cenvat duty shown as a deduction from the Gross Sales and Service Income represents the amount of cenvat duty collected on sales. Cenvat duty expensed represents the difference between excise duty element in the amounts of closing stocks & opening stocks and excise duty paid which is not recoverable from sales.
10. The stock of Raw Materials amounting to Rs. 963.46 Lacs (Previous year Rs. 501.18 Lacs) was laying with the job workers for further processing at the close of the year. Out of that confirmations have been received for Rs. 910.84 Lacs (Previous Year Rs. 480.86 Lacs).
11. The confirmations in respect of sundry debtors, sundry creditors and loans and advances are called for. Necessary adjustments, if any will be made on settlement of accounts.

**12. Employee Benefits**

a) Defined Benefit Plans :

(Rupees in Lacs)

Particulars	Gratuity		Leave Encashment	
	2008-09	2007-08	2008-09	2007-08
i. Expenses recognized in Profit & Loss Account				
Current service cost	17.54	8.28	6.57	5.85
Interest Cost	3.28	1.72	1.18	0.54
Expected return on plan assets	(2.41)	(0.33)	-	-
Net actuarial losses (gains)	3.16	10.55	(2.91)	4.85
Total Expenses	21.57	20.22	4.84	11.24
ii Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit Obligation				
Opening defined benefit obligation	44.05	23.49	17.34	8.47
Service cost	17.54	8.28	6.57	5.85
Interest cost	3.28	1.72	1.18	0.54
Actuarial losses (gains)	0.75	10.56	(2.91)	4.84
Losses (gains) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Benefits paid	(29.29)	(4.20)	(0.91)	(2.35)
Closing defined benefit obligation	36.33	39.85	21.27	17.35
iii Reconciliation of Opening and Closing balances of changes in fair value of plan assets				
Opening fair value of plan assets	28.54	3.86	-	-
Expected return on plan assets	2.41	0.33	-	-
Actuarial gains and (losses)	(2.41)	0.01	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	1.96	-	-	-
Benefits paid	(0.29)	-	-	-
Closing balance of fair value of plan assets	30.21	4.20	-	-
iv Net Liability recognized in the Balance Sheet				
Defined Benefit Obligation	64.57	44.05	21.27	17.35
Fair Value of plan assets	30.21	4.20	-	-
Present Value of unfunded obligation recognized as liability	34.36	39.85	21.27	17.35
v Actual Return On Plan Assets	-	0.34	-	-
vi Actuarial Assumptions	As At 31st Mar 2009			
Discount Rate	8%			
Expected rate of return on plan assets	8.5% Based on LIC Structure of interest rates on gratuity funds			
Expected rate of salary increase	6%			
Mortality	LIC (1994-96) published table of rates			
Withdrawal Rates	5% at younger ages reducing to 1% at older age			
Retirement Age	58 Years			
Actuarial Valuation Method	Projected Unit Credit Method			

In the absence of the information from insurance companies/fund managers regarding each major category of plan assets and the composition thereof, the company is unable to comply with disclosure requirements under para 120(h) of the Accounting Standard-15 (Revised 2005)



b) Defined Contribution Plans

Rs. 41.41 Lacs (Previous Year Rs. 30.75 Lacs) recognised as an expense and included in the Schedule 16 of Profit and Loss Account under the head “Contribution to Provident and other funds”.

13. Related Party Transactions

(a) Names of related parties and description of relationship:

Sr. No.	Nature of Relationship	Name of Related Parties
1	Associate Company	Savas Engineering Company Pvt. Ltd.
2	Key Management Personnel	Mr. Jitendra U. Mamtora Mr. Satyen J. Mamtora Mr. Bhaskar Sen Mrs. Karuna J. Mamtora
3	Relative of Key Management Personnel	Ms. Janki Jitendra Mamtora Ms. Aakansha Mamtora Mr. Dilip Mamtora Mr. Bipin Mamtora Mr. Hitendra Doshi
4	Enterprise over which Key Managerial Personnel is able to exercise significant influence	Benchmark HR Solutions (India) Pvt. Ltd. Harsha Engineers Ltd. Allied Electrical Industries Jitendra U. Mamtora (HUF) Transpower

(b) Details of transactions with related parties:

(Rupees in Lacs)

Nature of Transactions	Subsidiaries		Associate Company		Key Management Personnel		Relative of Key Management Personnel		Enterprise over which Key Managerial Personnel is able to exercise significant influence	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
(A) Volume of Transactions										
1) Service Received Allied Electrical Industries Benchmark HR Solutions (India) Pvt. Ltd. Harsha Engineers Ltd.									27.24	22.26
									3.88	-
									1.85	-
2) Service Rendered Allied Electrical Industries									-	0.12
3) Purchase of Goods Transpower									3.36	-
4) Sale of Goods Allied Electrical Industries Savas Engineering Company Pvt. Ltd. Harsha Engineers Ltd.			1.65	-					3.36	1.37
									47.51	86.54



Nature of Transactions	Subsidiaries		Associate Company		Key Management Personnel		Relative of Key Management Personnel		Enterprise over which Key Managerial Personnel is able to exercise significant influence	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
5) Capital Goods Sold Allied Electrical Industries									-	0.36
6) Capital Goods Purchased Savas Engineering Company Pvt. Ltd.			306.35	13.24						
7) Investment In Associates Savas Engineering Company Pvt. Ltd.			29.00	-						
8) Investment In Enterprise Benchmarks HR Solutions (India) Pvt. Ltd.									7.00	-
9) Payment For Acquisition of Shares Ms. Aakansha Mamtora (Savas Engineering Company Pvt. Ltd.)							29.00	-		
10) Loans Taken/ Repaid and Interest thereon i) <u>Mr. Jitendra U. Mamtora</u> Loan taken Loan repaid Interest Balance at 31st March Balance at 1st April ii) <u>Mr. Satyen J. Mamtora</u> Loan taken Loan repaid Interest Balance at 31st March Balance at 1st April iii) <u>Mrs. Karuna J. Mamtora</u> Loan taken Loan repaid Interest					226.20 298.95 18.77 - 53.98 1.95 2.40 0.18 - 0.27 7.16 35.72 3.21	120.30 182.28 10.08 53.98 105.88 - 0.11 0.03 0.27 0.35 - 0.44 2.13				



Nature of Transactions	Subsidiaries		Associate Company		Key Management Personnel		Relative of Key Management Personnel		Enterprise over which Key Managerial Personnel is able to exercise significant influence	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Balance at 31st March					-	25.35				
Balance at 1 st April					25.35	23.66				
iv) <u>Mr. Jitendra U. Mamtora (HUF)</u>										
Loan taken									56.94	10.00
Loan repaid									57.84	216.40
Interest									0.76	15.08
Balance at 31st March									-	0.14
Balance at 1st April									0.14	191.46
11) Managerial Remuneration										
Mr. Jitendra U. Mamtora					160.31	113.69				
Mr. Satyen J. Mamtora					57.09	57.09				
Mrs. Karuna J. Mamtora					7.29	7.29				
Mr. Bhaskar Sen					14.80	17.07				
Mr. Hitendra M. Doshi					12.25	10.04				
12) Dividend Paid										
Mr. Jitendra U. Mamtora					177.18	-				
Mr. Satyen J. Mamtora					1.94	-				
Mrs. Karuna J. Mamtora					5.35	-				
Mr. Jitendra U. Mamtora (HUF)					10.53	-			13.66	-
Mr. Hitendra Doshi					0.43	-				
Ms. Janki J. Mamtora					-	-				
Mr. Bipin Mamtora					-	-				
Mr. Dilip Mamtora					-	-				
B) Balance as at 31st March										
1) Due to										
Allied Electrical Industries									-	6.96
Savas Engineering Company Pvt. Ltd.				-	37.63					
Benchmarks HR Solutions (India) Pvt. Ltd.									-	0.36
2) Due from										
Transpower									-	3.20
Savas Engineering Company Pvt. Ltd.			29.28	-						
Harsha Engineering Ltd.									-	59.17

**14. Leases:****(A) Finance Lease**

- (i) In accordance with Accounting Standard 19 "Leases" issued by the Institute of Chartered Accountants of India, the assets acquired on finance lease on or after April 1st, 2001 are capitalised and a loan liability recognized. Consequently, depreciation is provided on such assets, installments paid are allocated to the liability and the interest is charged to the Profit & Loss Account.
- (ii) a) Assets acquired on Lease agreements mainly comprise of Cars. The agreements provide for reimbursement of taxes, levy etc. imposed by authorities in future.
- b) The minimum installments as at 31st March, 2009 and the present values at 31st March, 2009 of minimum installments in respect of assets acquired under the Lease Agreements are as follows:

(Rupees in Lacs)

Particulars	As At 31 st Mar 2009
Minimum Installments	
1) Payable not later than 1 year	17.73
2) Payable later than 1 year and not later than 5 Years	11.58
3) Payable later than 5 years	-
Total minimum installments	29.31
Less : Future finance charges	2.51
Present value of minimum installments	26.80
Present value of minimum installments	
1) Payable not later than 1 year	15.85
2) Payable later than 1 year and not later than 5 years	10.95
3) Payable later than 5 years	-
Total present value of minimum installments	26.80

(B) Operating Lease

Lease rentals charged to revenue for lease agreements for the right to use the following assets are following:

(Rupees in Lacs)

Particulars	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
Office Premises	5.06	5.04
Godown	2.34	1.92

The Lease agreements are executed for a period of 11 months with a renewal clause and also provide for termination at will by either party by giving prior notice.

15. Earning Per Share

Particulars	For the Year Ended on 31 st Mar 2009	For the Year Ended on 31 st Mar 2008
Profit after tax and before extraordinary items (Rupees in Lacs)	4,523.59	3,460.33
Net Profit for the period (Rupees in Lacs) (a)	4,523.59	3,460.33
Profit after tax and before extraordinary items adjusted for Tax on extraordinary items (Rupees in Lacs) (b)	4,523.59	3,460.33
Weighted Average number of equity shares	12,923,611	7,877,439
Bonus share issued during the year	Nil	2,836,746
Weighted average number of equity shares (c)	12,923,611	10,714,185
EPS (Basic & Diluted) (Rs.) (a) / (c)	35.00	32.30
Nominal value of Equity Shares (Rs.)	10.00	10.00



16. Components of Deferred Tax Liability are as under

(Rupees in Lacs)

Particulars		As At 31 st Mar 2009	As At 31 st Mar 2008
(A) Deferred Tax Liability:			
Difference between book and tax depreciation		326.12	220.21
	(A)	<u>326.12</u>	<u>220.21</u>
(B) Deferred Tax Assets:			
Disallowance under Income Tax Act, 1961		72.17	40.34
Tax benefit on share issue expenses set off against share premium.		158.42	158.41
	(B)	<u>230.59</u>	<u>198.75</u>
Net Deferred Tax Liability/(Assets)	(A) – (B)	<u>95.53</u>	<u>21.46</u>

17. Previous year's figures have been regrouped wherever necessary.

For C.C.Chokshi & Co.
Chartered Accountants

For and on behalf of board

H. P. Shah
PartnerTushar Shah
Company SecretaryJitendra U. Mamtora
Chairman & ManagingSatyen J. Mamtora
Joint Managing DirectorDate : 28th April,2009Date : 28th April,2009



Regd. Office: Survey No. 344-350, Sarkhej Bavla Highway,
Village : Changodar, Taluka Sanand, Dist : Ahmedabad- 382 213, Gujarat

PROXY FORM

Regd. Folio No./ DP Client ID

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No. of Shares held

--	--	--	--	--	--	--	--	--	--

I / We of in the district of being a Member/Members of the Company, hereby appoint of in the district of or failing him / her of In the district of as my / our proxy to vote for me / us on my / our behalf at the **15th ANNUAL GENERAL MEETING** of the Company to be held at the Registered Office at Survey No. 344-350 Sarkhej Bavla Highway, Changodar, Ahmedabad 382 213, at 11.00 a.m. on Wednesday, 15th day of July, 2009 or at any adjournment(s) thereof.

Signed this Day of 2009.



Signature of Member _____

Notes :

This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting

----- Please tear here -----



Regd. Office: Survey No. 344-350, Sarkhej Bavla Highway,
Village : Changodar, Taluka Sanand, Dist : Ahmedabad- 382 213, Gujarat

ATTENDANCE SLIP

Regd. Folio No./ DP Client ID

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No. of Shares held

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I certify that I am a member / proxy for a member of the company.

I hereby record my presence at the **15th ANNUAL GENERAL MEETING** of the Company at the Registered Office at Survey No. 344-350 Sarkhej Bavla Highway, Village : Changodar, Taluka Sanand, Ahmedabad 382 213, at 11.00 a.m. on Wednesday, 15th day of July, 2009.

Name of the Member / Proxy
(in BLOCK letters)

Signature of Member / Proxy

(Please fill up this attendance slip and hand over at the entrance of the meeting hall. Members are requested to bring their copy of the Annual Report to the meeting)



Registered Office

Survey No 344-350 Sarkhej Bavla Highway,
Village :Changodar, Taluka Sanand, Ahmedabad 382 213, Gujarat, India.
Tel.: 02717- 661661 Fax: 02717 - 661716
Email: info@transformerindia.com • ipo@transformerindia.com

www.transformerindia.com