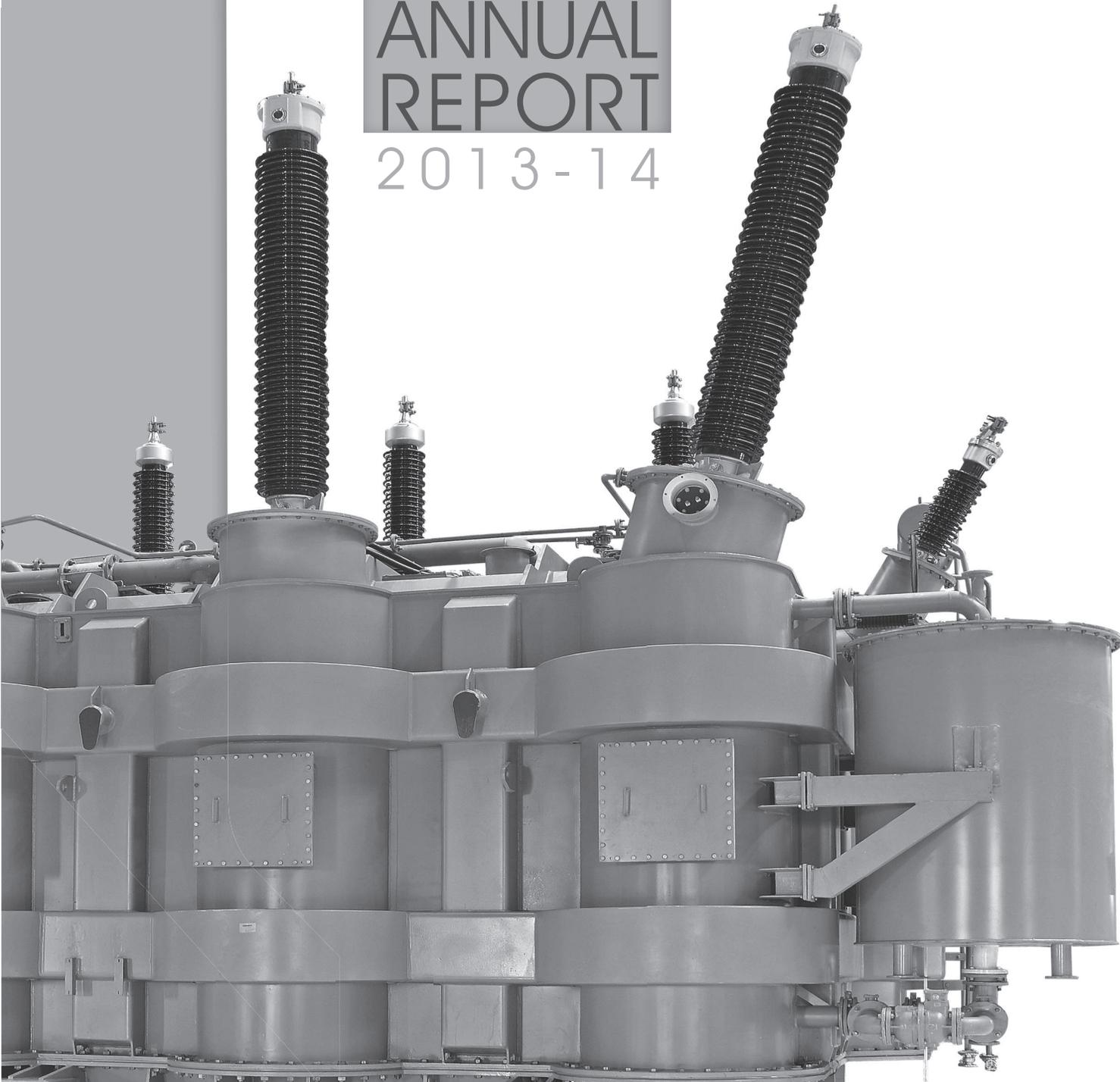


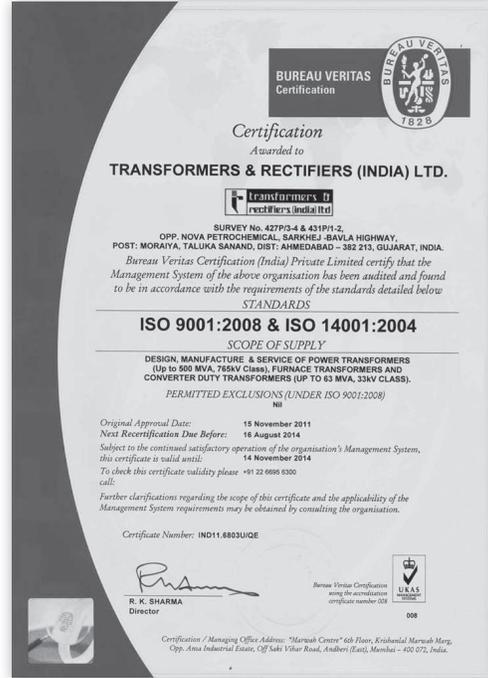
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ANNUAL REPORT 2013-14





AWARDS



Winner of the

BEST EQUIPMENT SUPPLIER AWARD

SINCE LAST 4 YEARS
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one of the leading utilities of India.

AWARDED



SEPTEMBER 2010



VALUED CUSTOMER AWARD

from CPRI



TRANSFORMERS & RECTIFIERS (INDIA) LIMITED

Board of Directors

Mr. Jitendra U Mamtora
Chairman & Whole time Director (DIN No. 00139911)

Mr. Satyen J Mamtora
Managing Director (DIN No. 00139984)

Mrs. Karuna Mamtora
Executive Director (DIN No.00253549)

Mr. Vinod Masson
Executive Director (DIN No.00059587)

Mr. Bhaskar Sen
Independent Director (DIN No.01776530)

Mr. Rajendra Shah
Independent Director (DIN No.00061922)

Mr. Harish Rangwala
Independent Director (DIN No.00278062)

Mr. Sureshchandra Agarwal
Independent Director (DIN No. 00889931)

Mr. Rahul Shah
Chief Financial Officer

Mr. Chintan M. Trivedi
Company Secretary

Committees of Board

Audit Committee
Stakeholder's Grievance and Relationship Committee
Nomination and Remuneration Committee
Corporate Social Responsibility Committee
Transfer Committee
Management Committee

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Bankers

State Bank of India
Bank of Baroda
Axis Bank
Standard Chartered Bank
IDBI Bank

Auditors

Deloitte Haskins & Sells
Chartered Accountants,
Heritage, Nr. Gujarat Vidhyapith,
Ahmedabad - 380014

Registered Office/Plant

Survey No.427 P/3-4 & 431 P/1-2
Sarkhej-Bavla Highway, Village: Moraiya,
Taluka : Sanand,
District :Ahmedabad-382213 Gujarat.
E-mail : info@transformerindia.com
Website : www.transformerindia.com

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound
LBS Road, Bhandup (West),
Mumbai-400078.

Listing

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

Depositories

NSDL
CDSL

ISIN

INE763I01018

CIN

L33121GJ1994PLC022460

VISION

To consolidate our National and International presence as a leading manufacturer of Power, Furnace & Rectifier Transformers and maintain a leading position in the T & D industry.

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 Twentieth Annual General Meeting of the members of the Company will be held on Wednesday, 10th September, 2014 at 04.00 p.m. at the Survey No. 427 P/3-4 & 431 P/1-2 Sarkhej-Bavla Highway, Village: Moraiya, Taluka: Sanand, Ahmedabad-382213 Gujarat, to transact the following business:

ORDINARY BUSINESS

Item no. 1 - Adoption of financial statements

To consider and adopt:

- (a) the audited financial statement of the Company for the financial year ended 31st March, 2014, the reports of the Board of Directors and Auditors thereon; and
- (b) the audited consolidated financial statement of the Company for the financial year ended 31st March, 2014.

Item no. 2 - Declaration of Dividend

To consider and declare dividend of ₹ 0.75 per equity share for the financial year ended 31st March, 2014.

Item no. 3 - Appointment of Director

To appoint a director in place of Mr. Satyen Mamtora (holding DIN: 00139984), who retires by rotation and, being eligible, seeks re-appointment.

Item no. 4 - Appointment of Auditors

To re-appoint auditors of the Company to hold office from the conclusion of the 20th Annual General Meeting until the conclusion of the 23rd Annual General Meeting and to fix their remuneration and to pass the following resolution thereof.

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the audit committee of the Board of Directors, M/s. Deloitte Haskins & Sells, Ahmedabad, (Firm Registration No. 117365W) be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of the 20th Annual General Meeting to the conclusion of the 23rd Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board of Directors be and are hereby authorised to fix such remuneration as may be determined by the audit committee in consultation with the auditors, and that such remuneration as may be agreed upon between the auditors and the Board of Directors.”

SPECIAL BUSINESS

Item no. 5 - Appointment of Mr. Rajendra Shah as an Independent Director.

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including statutory modifications or re-enactments thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Rajendra Shah, (holding DIN: 00061922), non-executive director of the Company who retires by rotation at the Annual General Meeting and in respect of whom Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019, not liable to retire by rotation.”

Item no. 6 - Appointment of Mr. Harish Rangwala as an Independent Director.

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including statutory modifications or re-enactments thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Harish Rangwala, (holding DIN: 00278062) non-executive director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019, not liable to retire by rotation.”

Item no. 7 - Appointment of Mr. Bhaskar Sen as an Independent Director.

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including statutory modifications or re-enactments thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Bhaskar Sen, (holding DIN: 01776530) non-executive director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019, not liable to retire by rotation.”



Item no. 8 - Appointment of Mr. Sureshchandra Agarwal as an Independent Director.

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including statutory modifications or re-enactments thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sureshchandra Agarwal, (holding DIN: 00889931) non-executive director of the Company who retires by rotation at the Annual General Meeting and in respect of whom Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019, not liable to retire by rotation.”

Item no. 9 – To approve the remuneration of the Cost Auditor for the financial year ending March 31, 2015.

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Place: Ahmedabad
Date: 2nd May, 2014

By Order of the Board of Directors

Chintan M. Trivedi
Company Secretary

Registered Office:

Survey No.427 P/3-4 & 431 P/1-2 Sarkhej - Bavla Highway,
Village: Moraiya, Taluka: Sanand, Ahmedabad-382213 Gujarat.
CIN: L33121GJ1994PLC022460

NOTES:

- The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
- 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 person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
- Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
- The Register of Members and Share Transfer Register will remain closed from 6th September, 2014 to 10th September, 2014 (both day inclusive) for the purpose of payment of the dividend for the financial year ended March 31, 2014.
- Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose name appears on the Register of Members as on 5th September, 2014.
- Members holding shares in dematerialized form are requested to intimate all changes with respect to their address/bank details/mandate etc. to their respective Depository Participant. The Company or its share transfer agent will not act on any direct request from these members for change of such details. However request for any change in respect of shares held in physical form should be sent to Company or Registrar & Share Transfer Agent.
- Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Chintan M. Trivedi, 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 124 of the Companies Act, 2013.
- Members who have not so far encashed the dividend in respect of the dividend declared after the year 2007-2008 are advised to submit their claim to the Company (Email:cs@transformerindia.com) or RTA quoting their Folio No./DP ID Client ID.
- Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
- Members who wish to attend the meeting are requested to



bring attendance slip sent herewith, duly filled in & signed, and the copy of the annual report. Copies of the annual report will not be distributed at the meeting.

- Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/ re-appointment.
- All the documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days upto the date of AGM.
- The Ministry of Corporate Affairs ("MCA"), Government of India, has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by Companies vide Circular Nos.17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively in terms of which a Company would have ensured compliance with the provisions of Section 53 of the Companies Act 1956, if service of documents have been made through electronic mode. In such a case, the Company has to obtain e-mail addresses of its members for sending the notices/documents through e-mail giving an advance opportunity to each shareholder to register their e-mail address and changes therein, if any, from time to time with the Company.

The Company has welcomed the Green Initiative and accordingly has e-mailed the soft copies of the Financial Statements for the year ended March 31, 2014, to all those Members whose e-mail IDs are available with the Company's Registrar and Transfer Agent.

Further, in terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, a Company may give notice through electronic mode addressing to the person entitled to receive such e-mail as per the records of the Company or as provided by the depository, provided that the Company shall provide an advance opportunity atleast once in a financial year, to the member to register his e-mail address and changes therein and such request may be made by only those members who have not got their email id recorded or to update a fresh email id and not from the members whose e-mail ids are already registered.

In view of the above, the Company hereby request members who have not updated their email IDs to update the same with their respective Depository Participant(s) or the Link Intime India Pvt. Ltd, Registrar and Transfer Agent (R&T) of the Company. Further, members holding shares in electronic mode are also requested to ensure to keep their email addresses updated with the Depository Participants/R&T of the Company. Members holding shares in physical mode are also requested to update their email addresses by writing to the R&T of the Company quoting their folio number(s).

- In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Ltd. (CDSL). The detailed process, instructions and manner for e-voting facility is enclosed herewith.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

Mr. Satyen Mamtora, Managing Director, retires by rotation and being eligible offers himself for re-appointment.

Brief resume and nature of expertise:

Mr. Satyen Mamtora aged 39 years, Managing Director of the Company holds a Diploma in Electrical Engineering from Uxbridge College of Engineering, London, UK. He has a sixteen years association with the organization and has been trained by rotation in all the key functional areas of the organization. Currently, he spearheads the production and marketing division and has played a key role in consolidating the organisation's presence in the power utilities segment across the Country. Mr. Mamtora has also played an aggressive role in strategizing and putting in place a global marketing plan.

Mr. Satyen Mamtora holds 97,000 Equity Shares of your Company. He is on the Board of your Company from 11th July, 1994. Apart from Transformers and Rectifiers (India) Ltd, Mr. Mamtora is a Director of Transweld Mechanical Engineering Company Ltd and is the member of Remuneration Committee of Transweld Mechanical Engineering Company Ltd.

Your Directors recommend the re-appointment of Mr. Satyen Mamtora as a Director of the Company.

Except Mr. Satyen Mamtora himself, Mr. Jitendra Mamtora and Mrs. Karuna Mamtora, relatives of Mr. Satyen Mamtora, none of the other Directors, Key Managerial Personnel and their relatives are interested in this resolution.

**ITEM NO. 5**

Mr. Rajendra Shah aged 66 years is a Non-executive Independent Director of the Company. He joined the Board of Directors of the Company on 25th August, 2005. Mr. Shah is the Chairman of the Stakeholder's Grievance and Relationship Committee and a member of Audit Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

Mr. Shah holds a Bachelor's Degree in Mechanical Engineering from LE Engineering College, Morbi. He started his career working as an engineer with an engineering firm. He is the founder Promoter of Harsha Engineers Limited which is engaged in the manufacture of taper roller bearing cages. He has over 38 years of experience. In 2001 he was awarded "Best Entrepreneur" by the Ahmedabad Management Association, Ahmedabad. He is currently the Managing Director of Harsha Engineers Limited.

He holds 6622 Equity shares of the Company. Apart from Transformers and Rectifiers (India) Ltd., Mr. Shah holds directorship and membership of the following Companies/ Committees.

Directorships:

Sr. No.	Name of the Company	Designation
1.	Harsha Engineers Ltd.	Chairman and Managing Director
2.	Harsha Engineers (India) Pvt. Ltd.	Director
3.	Harsha Abakus Solar Private Ltd.	Director
4.	Harsha Renewable Energy Private Ltd.	Director
5.	AIA Engineering Ltd.	Director
6.	Welcast Steels Ltd.	Director
7.	Shilp Gravures Ltd.	Director
8.	Beco Tek Precision Bearing Components (Suzhou) Co., Ltd.	Director

Memberships:

Sr. No.	Name of the Company	Committee	Designation
1.	AIA Engineering Limited	Audit Committee, Share Transfers and Investor Grievance Committee and Remuneration Committee	Chairman
2.	Shilp Gravures Limited	Share Transfer and Investor Grievance Committee	Chairman

Mr. Shah retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of Companies Act, 2013, Mr. Shah being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. Shah as a candidate for the office of Director of the Company.

The Company has received from Rajendra Shah (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Director) Rules, 2014, (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Director) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Shah fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Shah as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Rajendra Shah as an Independent Director, for the approval by the shareholders of the Company. He is not liable to retire by rotation.

Except Mr. Rajendra Shah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 5. This Explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock exchanges.

**ITEM NO. 6**

Mr. Harish Rangwala aged 65 years is a Non-executive Independent Director of the Company. He joined the Board of Directors of the Company on 25th August, 2005. Mr. Rangwala is the member of the Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

He holds a Bachelor's degree in Mechanical Engineering from LE Engineering College, Morbi. He worked with Tata Chemicals, Mithapur as a Shop Engineer for six years. Subsequently in 1972 he set up Harsha Engineers Limited, for the manufacture of small tools and engineering components. Mr. Rangwala is also the president of the Lenco Alumni Association.

He holds 3333 Equity shares of the Company. Apart from Transformers and Rectifiers (India) Ltd, Mr. Rangwala holds following directorships.

Directorships:

Sr. No.	Name of the Company	Designation
1.	Harsha Engineers Ltd.	Joint Managing Director
2.	Harsha Engineers (India) Pvt. Ltd.	Director
3.	Harsha Abakus Solar Private Ltd.	Director
4.	Harsha Renewable Energy Private Ltd.	Director
5.	Beco Tek Precision Bearing Components (Suzhou) Co., Ltd.	Director

Mr. Rangwala is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of Companies Act, 2013, Mr. Rangwala being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. Rangwala as a candidate for the office of Director of the Company.

The Company has received from Harish Rangwala (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Director) Rules, 2014, (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Director) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Rangwala fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Rangwala as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Harish Rangwala as an Independent Director, for the approval by the shareholders of the Company. He is not liable to retire by rotation.

Except Mr. Harish Rangwala, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 6. This Explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock exchanges.

ITEM NO. 7

Mr. Bhaskar Sen aged 73 years is a Non-executive Independent Director of the Company. He joined the Board of Directors of the Company on 9th July, 2007. Mr. Sen is the member of the Stakeholder's Grievance and Relationship Committee of the Board of Directors of the Company.

He holds a Bachelor's degree in Mechanical Engineering from Jadavpur University. Mr. Sen has over 47 years of experience in overall management of business relating to switchgears, transformers, motor projects, REC equipment's, 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 Masons Limited as Chief Executive.

Mr. Sen is not a Director in any other Company. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Sen is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of Companies Act, 2013, Mr. Sen being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. Sen as a candidate for the office of Director of the Company.



The Company has received from Bhaskar Sen (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Director) Rules, 2014, (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Director) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Sen fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Sen as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Bhaskar Sen as an Independent Director, for the approval by the shareholders of the Company. He is not liable to retire by rotation.

Except Mr. Bhaskar Sen, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 7. This Explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock exchanges.

ITEM NO. 8

Mr. Sureshchandra Agarwal aged 64 years is a Non-executive Independent Director of the Company. He joined the Board of Directors of the Company on 13th August, 2007. Mr. Agarwal is the Chairman of the Audit Committee and the member of the Nomination and Remuneration Committee of the Board of Directors of the Company.

He holds a Bachelor's Degree with Honours in Mechanical Engineering from Agra University. Mr. Agarwal has over 36 years of experience in the metal recovery and petroleum refining industry.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Apart from Transformers and Rectifiers (India) Ltd, Mr. Agarwal holds following directorships and membership of the following Companies/ Committees.

Directorships:

Sr. No.	Name of the Company	Designation
1.	TARIL Infrastructure Ltd	Director
2.	Transweld Mechanical Engineering Works Ltd.	Director
3.	Transpares Ltd.	Director

Memberships:

Sr. No.	Name of the Company	Committee	Designation
1.	Transpares Ltd	Remuneration Committee	Chairman
2.	Transweld Mechanical Engineering Works Ltd.	Remuneration Committee	Chairman

Mr. Agarwal retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of Companies Act, 2013, Mr. Agarwal being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing Mr. Agarwal as a candidate for the office of Director of the Company.

The Company has received from Sureshchandra Agarwal (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Director) Rules, 2014, (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Director) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Agarwal fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Agarwal as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Sureshchandra Agarwal as an Independent Director, for the approval by the shareholders of the Company. He is not liable to retire by rotation.

Except Mr. Sureshchandra Agarwal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 8. This Explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock exchanges.

**ITEM NO. 9**

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Rajendra Patel & Associates, Cost Accountants, Ahmedabad as the Cost Auditors of the Company to audit the cost accounts/ cost records of the Company for the financial year ending on March 31, 2015 on a remuneration of ₹ 70,000/- plus taxes and reimbursement.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

Place: Ahmedabad
Date: 2nd May, 2014

By Order of the Board of Directors

Chintan M. Trivedi
Company Secretary

Registered Office:

Survey No.427 P/3-4 & 431 P/1-2 Sarkhej - Bavla Highway,
Village: Moraiya, Taluka: Sanand, Ahmedabad-382213 Gujarat.
CIN: L33121GJ1994PLC022460

Go Green

The Ministry of Company Affairs (MCA) has taken the "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011) alongwith paperless compliance by compliances by Companies through electronic mode.

Keeping in view the underlying theme and circular issued by MCA, we propose to send all documents to be sent to shareholders like General Meeting Notice including the AGM, Annual report including Audited Financial Statements, Directors' Report, Auditor Report etc. to our shareholder in electronic form, to the email address provided by them and made available to us by the Depositories.

Please also note that you will be entitled to be furnished free of cost, with a copy of the Annual Report of the Company and all other documents required by law to be attached thereto, upon receipt of a requisition from you, any time, as a member of the Company, such a requisition may be sent to the registered office of the Company.



**TRANSFORMERS AND RECTIFIERS (INDIA) LTD**20th Annual General Meeting on Wednesday, 10th September, 2014 at 04:00 P.M**INSTRUCTION FOR E-VOTING****SECTION A - E-VOTING PROCESS - MEMBERS HOLDING SHARES IN DEMAT FORM****Step 1** - Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.**Step 2** - Click on “Shareholders” to cast your vote(s)**Step 3** - Select the Electronic Voting Sequence Number - “EVSN” along with “COMPANY NAME” from the drop down menu and click on “SUBMIT”**Step 4** - Fill up the following details in the appropriate boxes [also refer Section C (IV) below]

EVSN	140610007
User-ID	a) For account holders in CDSL :- Your 16 digits beneficiary ID b) For account holders in NSDL :- Your 8 Character DP ID followed by 8 Digits Client ID then enter the captcha code as displayed and click on login.
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. Members who have not updated their PAN with the Company / Depository Participant are requested to use default value ‘TRANS1234R’ in the PAN field
DOB#	Enter the date of birth recorded in the demat account or registered with the company for the demat account in DD/MM/YYYY format
Dividend Bank Details#	Enter your dividend bank details (Account Number) recorded in the demat account or registered with the Company for the demat account

Any one of the details DOB or Dividend bank details should be entered for logging in to the account.

Step 5 - After entering these details appropriately, click on “SUBMIT” tab.**Step 6** - Members holding shares in Demat form will now reach Password Generation menu wherein they are required to create their login password in the password field. The password has to be minimum eight characters consisting of one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is to be also used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Please also refer to Section C (IV)**Step 7** - Click on the relevant EVSN on which you choose to vote.**Step 8** - On the voting page, you will see Resolution description and against the same the option ‘YES/NO’ for voting. Select the relevant option as desired YES or NO and click on submit.**Step 9** - Click on the Resolution File Link if you wish to view the Notice.**Step 10** - After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.**Step 11** - Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote.**SECTION B - E-VOTING PROCESS - MEMBERS HOLDING SHARES IN PHYSICAL FORM****Step 1** - Open your web browser during the voting period and log on to the e-Voting website www.evotingindia.com**Step 2** - Now click on “Shareholders” to cast your vote(s)**Step 3** - Now, select the Electronic Voting Sequence Number - “EVSN” along with “COMPANY NAME” from the drop down menu and click on “SUBMIT”



Step 4 - Now, fill up the following details in the appropriate boxes:

EVSN	140610007
User-ID	Folio Number registered with the Company then enter the captcha code as displayed and click on login.
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. Members who have not updated their PAN with the Company are requested to use default value 'TRANS1234R' in the PAN field
DOB#	Enter the date of birth recorded in the folio under which you are going to vote in DD/MM/YYYY format. In case the date of birth is not registered with the Company, numbers are requested to use default date '10/09/2014' in DOB field.
Dividend Bank Details#	Enter your dividend bank details (Account Number) recorded in the folio under which you are going to vote.

Any one of the details should be entered for logging in to the account.

Step 5 - After entering these details appropriately, click on "SUBMIT" tab.

Step 6 - You will then reach directly to the voting screen.

For next steps, please refer to Step 7 to Step 11 as mentioned in Section A above.

SECTION C - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS

- I. The e-Voting period commences on 4th September, 2014 (9.00 am) and ends on 5th September, 2014 (5.00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- II. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.
- III. Mr. Tapan Shah, Practising Company Secretary (Membership No. FCS: 4476; CP No: 2839) (Address: 816 - 818, Anand Mangal -3, Opp. Core House, Nr. Doctor House, Ellisbridge, Ahmedabad - 380 006) has been appointed as the Scrutinizer to scrutinize the e-Voting process.
- IV. If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.
- V. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
- VI. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorized to vote on their behalf in PDF format in the system for the scrutinizer to verify the vote.
- VII. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- VIII. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Contact Details :

Company	Transformers & Rectifiers (India) Ltd. Survey no. 427 P/3-4 & 431 P/1-2, Sarkhej-Bavla Highway, Village: Moraiya, Taluka: Sanand, Dist: Ahmedabad - 382 213, Gujarat. Email: cs@transformerindia.com
Registrar & Transfer Agent	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai - 400 078 Email: rnt.helpdesk@linkintime.co.in
e-Voting Agency	Central Depository Services (India) Ltd. Email: helpdesk.evoting@cdslindia.com
Scrutinizer	Mr. Tapan Shah, Practising Company Secretary Email: scrutinizer@tapanshah.in



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 20th Annual Report on the business and operations together with the Audited accounts for the year ended 31st March, 2014. The performance of the Company for the year ended on 31st March, 2014 is summarized below:

Financial Highlight

(₹ in Lacs)

Particulars	Standalone	
	2013-14	2012-13
Net Revenue from Operation	71,825.84	50,968.32
Other Income	406.36	522.56
Total Revenue	72,232.20	51,490.88
Cost of Raw Material Consumed	60,232.45	42,361.10
(Increase)/ Decrease in Inventories of Finished Goods & Process Stock	(930.42)	(85.89)
Employee Benefit Expense	2,374.57	1,920.52
Finance Costs	2,333.32	1,022.72
Depreciation & Amortization	927.84	698.08
Other Expenses	6,527.92	4,966.65
Total Expenses	71,465.68	50,883.18
Profit Before Tax	766.52	607.70
Tax Expense	286.01	134.42
Net Profit after Tax	480.51	473.28

Dividend

Your Directors are pleased to recommend Dividend of 7.5% i.e. ₹ 0.75/- per Equity Share of ₹ 10/- each (Previous year 7.5%) subject to approval of shareholders at 20th Annual General Meeting.

Review of Operations

For the year ended 31st March, 2014, your Company has reported standalone total revenue and net profit after taxation of ₹ 72,232.20 Lacs and ₹ 480.51 Lacs respectively as compared to last year's total revenue and net profits of ₹ 51,490.88 Lacs and ₹ 473.28 Lacs, respectively. For the F.Y. 2013-14, total revenue increased by 40% on year-on-year basis, Net Profit increased marginally due to increase in Raw material cost, finance cost and higher depreciation provisions.

MVA Production

During the year 2013-14, Your Company has manufactured 20650 MVA, out of which Changodar unit produced 7480 MVA, Moraiya unit produced 12458 MVA & Odhav unit produced 712 MVA, against the last year's total of 13217 MVA.

Consolidated Financial Statements

Consolidated Financial Statements pursuant to Clause 41 of the Listing Agreement entered into with the stock exchanges and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India are attached herewith this Annual Report.

Order Book

As on 2nd May, 2014, the Company has Order Book position of ₹ 45,411 Lacs. The table below indicates the division of our order book between our business segments:

(₹ in Lacs)

Type of Transformers	Order Book	%
Power Transformers	36,041	79%
Distribution Transformers	4,021	9%
Furnace/Rectifier Transformers	3,330	7%
Export	2,019	5%
Total	45,411	100%

Exports

During the year, the Company has achieved export sales of ₹ 2,909.41 Lacs.

Issue of Bonus Shares to Non-Promoter Shareholders

During the year under review, your Company has issued 3,32,800 Bonus Shares of ₹ 10/- each to the Non-Promoter Shareholders in the ratio of One new fully paid-up equity shares of ₹ 10 each for every Nine existing fully paid-up equity shares of ₹ 10 each held.

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.

Achievements:

Your Company has been awarded accreditation from National Accreditation Board for Testing and Calibration Laboratories (NABL) for its Power Transformer Testing Laboratory situated at its Moraiya Plant in respect of Electrical Testing. This is the highest recognition of competence given by the Department of Science and Technology, Government of India.

Postal Ballot

The Board of Directors at its meeting held on 2nd May, 2014 had recommended to transact certain business through Postal Ballot. For the purpose of conducting the Postal ballot exercise Mr. Tapan Shah, (FCS) Practising Company Secretary was appointed as scrutinizer who will submit his report on 10th September, 2014 which will be declared by the Chairman of the Company at the registered office of the Company.

Associates Portfolio

During the year 2013-14, Savas Engineering Company Pvt. Ltd. has achieved Total Revenue of ₹ 1,213.03 Lacs and posted loss after tax of ₹ 131.52 Lacs. The main activities of the Company are to manufacture various equipment's for transformers manufacturing like vacuum plants etc.

Subsidiary Companies

The Company has three subsidiaries namely Transweld Mechanical Engineering Works Limited (wholly owned subsidiary), TARIL Infrastructure 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 general exemption granted by Ministry of Corporate Affairs vide General Circular No.2/2011 dated 08th February, 2011, 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 need



not to be attached with the Balance Sheet of the Company subject to complying with the certain conditions. 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. The details of the accounts of individual subsidiary Companies are available on the website of the Company.

Directors

As per the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Satyen Mamtora will retire in the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board of Directors recommends his re-appointment.

The Board has re-appointed Mr. Vinod Masson, Executive Director of the Company w.e.f 11th April, 2014 for further period upto 30th June, 2015 subject to approval of shareholders at General Meeting of the Company.

The term of Mrs. Karuna Mamtora, as an Executive Director of the Company is going to expire on 31st March, 2015. The Directors are seeking re-appointment of Mrs. Mamtora as an Executive Director retiring by rotation for a period of 3 years w.e.f. 1st April, 2014.

Details of Director seeking re-appointment as required under Clause 49(VI) of the Listing Agreements are provided in the Notice forming part of this Annual Report. Their re-appointments are appropriate and in the best interest of the Company.

Impending notification of Section 149 and other applicable provisions of the Companies Act, 2013, your directors are seeking appointment of Mr. Rajendra Shah, Mr. Harish Rangwala, Mr. Bhaskar Sen and Mr. Sureshchandra Agarwal as Independent Directors for five consecutive years for a term upto 31st March, 2019. Details of proposal for appointment of Mr. Shah, Mr. Rangwala, Mr. Sen and Mr. Agarwal are mentioned in Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 20th Annual General Meeting.

None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164 (2) of the Companies Act, 2013.

Change in legislation governing Companies in India

During the year under review, the provisions of the new Companies Act have been made effective replacing the Companies Act of 1956 vintage by the induction of the Companies Act, 2013. The Government has notified 287 sections out of total 470 sections which cover all the material provisions of the new Companies Act, 2013.

However, as clarified by the Ministry of Corporate Affairs, the provisions of Companies Act, 1956 would remain applicable in respect of financial accounts, auditor’s report and directors’ report thereon for the financial year ended on 31st March, 2014.

Change in Nomenclature of Committees and enhanced their scope

Pursuant to the introduction of the Companies Act, 2013 and the rules thereunder, the Nomenclature of the Shareholders Grievance Committee has been changed to “Stakeholders Grievance and Relationship Committee” and the nomenclature of Remuneration Committee has been changed to “Nomination and Remuneration Committee”.

The scope of terms of reference/scope for Audit Committee has been enhanced in line with the provisions of Section 177 of the Companies Act, 2013 with additional scope on vigil mechanism, safeguards against victimization of persons who use such mechanism, direct access to Chairperson of audit committee in appropriate or exceptional cases etc.

Vigil Mechanism

The provisions of section 177 (9) and (10) of the Companies Act, 2013 mandates every listed Company to establish vigil mechanism for directors and employees to report genuine concern in such manner as may be prescribed. We are pleased to report that your Company had already formulated such mechanism. The Company had, pursuant to the provisions of the corporate governance voluntary guidelines, 2009 read with clause 49 of the listing agreement, framed and adopted the Whistle Blower Policy on 28th January, 2014. The provisions of the said policy, provided for adequate safeguards against the victimization of persons who use such mechanism and make provisions for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Board of Directors of the Company have at their meeting held on 2nd May, 2014, approved revised whistle blower policy to be in line with the provisions of Companies Act , 2013 read with the listing agreement.

Any director or employee of the Company, who observes any Unethical Behaviour or Improper Practices or Wrongful Conduct and/or financial or non-financial malpractices or non-compliance with legal requirements concerning the Company, is free to report to the specified officer in the mode as provided in the policy.

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:

- In preparation of annual accounts for the year ended 31st March, 2014, the applicable accounting standards have been followed and that no material departures have been made from the same;
- 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;
- 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;
- The Directors have prepared the annual accounts for the year ended 31st March, 2014 on going 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 Practising Company Secretary regarding compliance with Corporate Governance norms stipulated in Clause 49 of the Listing Agreement is annexed to the report on Corporate Governance.

Auditors

The Statutory Auditors of the Company, M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad (Firm Registration No. 117365W), 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 139(1) of the Companies Act, 2013 and the Rules made thereunder. The Board, on the recommendation of the Audit Committee, has also proposed that M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad, be re-appointed as Auditors of the Company.

Your Directors request you to reappoint the Auditors to hold the office from the conclusion of the 20th AGM to the conclusion of the 23rd AGM (subject to ratification of the appointment by the members at every AGM held after this AGM) and fix their remuneration.

Auditors Report

The Auditors' Report on the accounts of the Company for the accounting year ended 31st March, 2014 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 information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 is forming part of this report.

However, as permitted by Section 219(i)(b)(iv) of the said Act, this Annual Report being sent to all shareholders excluding the said information. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

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, technology absorption and foreign exchange earnings & expenditure are set out in Annexure I to this Report.

Cost Auditor

Your Company has appointed M/s Rajendra Patel & Associates, Cost Accountants, Ahmedabad, as Cost Auditor of your Company to audit the cost accounts related to the Company's product Electric Transformer for the financial year 2013-2014.

As per Section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 the Board of Directors of your Company

has appointed M/s. Rajendra Patel & Associates, Cost Accountants as the Cost Auditor of your Company for the financial year 2014-15 on the recommendations made by the Audit Committee. The remuneration proposed to be paid to the Cost Auditors, subject to the ratification by the members at the ensuing Annual General Meeting, would be ₹ 70,000/- (Rupees Seventy Thousand only) excluding out of pocket expenses, if any.

The Cost Audit report for the financial year 2012-13 was filed within the due date. The due date for submission of the Cost Audit Report for the year 2013-14 is within 180 days from 31st March, 2014.

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.

As per the Companies Act, 2013 all the Companies having net worth of ₹ 500 Crores or more, or turnover of ₹ 1000 Crores or more or a net profit of ₹ 5 Crores or more during any financial year will be required to constitute a Corporate Social Responsibility Committee of the Board of Directors comprising three or more director, at least one of whom will be an Independent Director.

Aligning with the guidelines, your Company has constituted a Corporate Social Responsibility Committee comprising of Mr. Jitendra Mamtara, Chairman & Wholetime Director, Mrs. Karuna Mamtara, Executive Director and Mr. Rajendra Shah, Independent Director of the Company. The CSR Committee is responsible for formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the Corporate Social Responsibility Policy and recommending the amount to be spent on CSR activities.

Internal Audit

M/s. Sanjay Vastupal & Co, Chartered Accountants, Ahmedabad has been internal auditors of the Company. Internal auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor reports their findings on the internal audit of the Company, to the Audit Committee on a quarterly basis. The scope of internal audit is approved by the Audit Committee.

Secretarial Audit

As a good governance practice and as provided under the provisions of Companies Act, 2013, the Company needs yearly secretarial audit report from a Practising Company Secretary. The Company has appointed Mr. Tapan Shah, Practising Company Secretary to conduct Secretarial Audit for the current financial year.

Acknowledgment

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

Place: Ahmedabad
Date: 2nd May, 2014

By Order of the Board of Directors
Jitendra U. Mamtara
Chairman



ANNEXURE I TO THE DIRECTORS' REPORT

Information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure 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, 2014.

A. CONSERVATION OF ENERGY:

(a) Energy conservation measures taken for 2013-14:

In a continuous endeavor to conserve and save energy, several measures have been adopted in FY 2013-14, notable amongst them are:

1. Interlocking of the pumps/fans of six enclosures of windings and core-coil Assembly shops, has been done with Air Conditioners. When desired temperature is achieved, pumps and fans are de-energized.
2. Two nos. 15HP blowers of the painting booth are now operated through one energy efficient motor drive (instead of direct starting earlier used).
3. Optimal lightning arrangement in the stores area has led to removal of 25% of illumination fittings without sacrificing the illumination required.
4. Electronic ballasts have been used in place of high consumption copper ballasts in 50% of shop floor gallery lightings.
5. Individual chilling plants of the two VPD ovens are replaced by one common chilling plant for both the ovens.

The above measures have helped to save energy.

(b) Additional investment & proposals, if any being implemented for reduction of energy consumption of energy & its impact:

Several energy saving ideas shall be implemented during FY 2014-15 to reduce energy consumption.

1. Use of natural lights will be resorted to at various departments and office building to save energy.
2. Blowers of Fabrication shop paint booth shall be modified to operate with energy efficient drive to save energy.
3. Blowers used in insulation shop shall be interlocked with motors of individual machines for switching off blowers when not needed.
4. The Company is planning for Energy Management System Certification as per EnMs 50001 in coming years for its production plants, starting with Moraiya plant.

(c) Impact of the measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;

Significant reductions in energy consumption and cost of production have been observed by the implementation of above referred measures. Implementation of above referred measures have resulted in increased facility reliability as well as improved equipment performance.

(d) Details of total & per unit consumption of energy are as follows:

Particulars	2013-14	2012-13
Electricity : (Purchased)		
Units-Electricity (Kwh)	4,927,189	4,052,090
Units-GAS (SCM)	721,352	575,833
Total Amount (Electricity) (₹ in Lacs)	364.29	295.01
Total Amount (GAS) (₹ in Lacs)	307.03	227.49
Rate / Unit (Electricity) (₹)	7.39	7.28
Rate/Unit (GAS) (₹)	42.56	39.51

B. TECHNOLOGY ABSORPTION

Research and Development (R&D)

To keep pace with ever evolving technology & innovations and sustain competition, R&D is a continuous endeavor for your Company.

1. Specific areas in which R&D is being carried out by the Company are:

- (i) **Energy Efficiency:** There is continuous focus on reduction of losses of the transformers to improve the efficiency. R&D involves reduction of stray losses by innovative methods of control of stray leakage field of transformer by magnetic / nonmagnetic shields.

No Load losses are reduced by controlling loss building factor by use of innovative step lap cores, burr free laminations on CNC cut-to-length-lines and use of better and optimum grades of core steel.

- (ii) **Drawing Automation:** Efforts are continually being put in to develop 3D models for Transformers on Solidworks, to improve the throughput engineering time and give error free information, first time right.



- (iii) **Design Analysis:** In view of high capital cost of transformers, reliability of design has assumed greater importance. We are continuously upgrading our capability to review and analyze our designs in terms of transient voltage distribution, electrostatic field distribution and PD free designs, short circuit withstand capability and thermal heat balance calculations limiting hot spots within permissible values. Company has equipped the R&D department with several state-of-the-art software. With the help of these software, the designs are verified for adequate factors of safety and reliability aspects.
- (iv) **New Product Development:** 145 kV class Neutral grounding reactor (NGR), conceived with coreless, magnetically shielded design and construction, and has been successfully developed. Two numbers of such NGRs have been supplied to the customer.

2. Benefits derived as a result of R&D:

Company has derived overall benefits as results of R&D comprising.

- Cost effective product
- Overall Cost reductions
- Opportunity to tap new market
- Enhancement of safety features of the product
- Enhancement of product portfolio
- Energy efficient products
- Improvement of quality of products
- Reduced time to market the product
- Improving New Product Development lead time

Some of the specific benefits based on above R&D efforts, expected are:

- (i) Use of wooden yoke beams in small power transformers up to 25 MVA to reduce stray losses of such transformers.
- (ii) Vibration control measures adopted has led to upgradation of existing 400 kV Shunt Reactor design philosophy to achieve very low level of vibrations in such reactors.
- (iii) New configurations of magnetic wall shunts have led to substantial reduction in stray losses for a competitive edge.

3. Future plan of action:

Future R&D efforts will continue along similar lines, as at present, but with much focus, thrust and endeavor.

Efforts shall continue on reduction of losses to produce energy efficient transformers and drawing automation to reduce engineering time cycle. New products planned for development shall include, 800 kV class Shunt reactors, Phase shifting transformers, short circuit testing at KEMA of 315 MVA 400/220/33 kV Autotransformer with constant ohmic impedance regulation, Scott connected transformers etc.

4. Expenditure on R&D:

In pursuit of R&D endeavors, the Company is continuously incurring R&D expenditure both on Capital and Revenue which has not been separately reflected but which is being shown as part of regular heads of accounts in Fixed Assets and in Statement of Profit and Loss Account respectively.

Technology Absorption, Adaptation and Innovation

1. Significant efforts made towards technology absorption, adaptation and innovation are:

- (i) As a part of continuous efforts in technology up-gradation, the Company forayed into 765 kV class transformers and got a maiden order of 20 transformers of 500 MVA, 765 kV single phase auto transformers. Out of these 20 transformers, one was manufactured and dispatched in FY 2012-13 and 14 transformers were manufactured and dispatched in FY 2013-14.
- (ii) First bank of 3 X 500 MVA, 765 kV Auto transformers at Nellore substation of PGCIL has been successfully commissioned on 28-02-2014.
- (iii) During the year, the Company has manufactured and supplied 500 MVA 3 phase 400/200/33 KV auto transformer, the largest rating three phase, Autotransformer to utility and same has been successfully commissioned.

2. Benefits derived as a results of the above efforts:

Besides incremental improvement in product technology, cost reduction, product quality improvement etc., your Company, as part of Import substitution, also developed a 150 MVA, 890 kV class single phase testing transformer for 765 kV class shunt reactors which otherwise would have been imported at exorbitant cost.

Foreign Exchange Earnings & Expenditure:-

1. Export revenue during the year was ₹ 2,909.41 Lacs. The Company is continuously focusing on supplying its products to various countries and trying to have its presence in export market.
2. Total Foreign Exchange earnings and expenditure: Details concerning Foreign Exchange Earnings and Expenditure have been given under note 42, 43 and 44 of the notes to the Financial Statement.



CORPORATE GOVERNANCE

“Corporate Governance is the system by which Companies are directed and controlled. It also includes Board’s accountability to the Company and stakeholders, strategic vision and effective monitoring by the Board, protection and equitable treatment of all stakeholders as well as timely disclosure.

Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target. We have undertaken several initiatives towards maintaining the highest standards.

Corporate governance at Transformers and Rectifiers (India) Limited (TRIL) is a value-based framework to manage our Company affairs in a fair and transparent manner. The Company believes in adopting and adhering to the best recognized Corporate Governance practices and continuously benchmarking itself against each such practice. As a responsible corporation, we use this framework to maintain accountability in all our affairs, and employ democratic and open processes. We have evolved guidelines and best practices over the years to ensure timely and accurate disclosure of information regarding our financials, performance, leadership and governance of the Company.

1. Company’s Philosophy on Corporate Governance

Transformers and Rectifiers (India) Limited (TRIL’s) commitment for effective Corporate Governance continues and the Company has always been at their benchmarking efforts to follow the internal systems and policies within accepted standards for the creation of golden & trustable value towards the shareholders.

The Board of Directors (‘the Board’) is at the core of our Corporate Governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

Your Company endeavour to adopt best governance practices. Our commitment is reflected in the steps that we have taken to ensure compliance of law and by regularly reviewing the systems and procedures. Your Company constantly strives to achieve enhancement of shareholders value and effective utilization of resources to realize long term goals.

2. Board of Directors

A. Composition

The Board of Directors of TRIL has been constituted in manners which ensure the proper mix of Executive / Non Executive and Independent/Non-Independent Directors to ensure proper governance and management. Your Company’s Board consists of Eight (8) Directors of which Four (4) are Executive and Non-Independent Directors. Four (4) are Non-Executive and Independent Directors. The Chairman of the Board is Executive Director.

B. Information on Board of Directors & Board Meetings

The Board Meetings are held at least once in every quarter inter-alia, to review the quarterly results. Additional Board meetings are convened by giving appropriate notice to address important issues relating to the Company. The Board Meetings are generally held at registered office of the Company. All the mandatory items as prescribed in Clause 49 (IA) of the Listing agreement are placed before the Board.

During the year Board met Six (6) times i.e. 26th April, 2013, 3rd May, 2013, 18th June, 2013, 13th August, 2013, 29th October, 2013 & 28th January, 2014. The maximum gap between any two board meetings did not exceed four months.

Management Committee oversees day to day operations of the Company, which consist of Three (3) Executive Directors subject to supervision and control of the Board of Directors. The Management Committee appointed by the Board makes decision within the authority delegated. All decisions/ recommendation of the Committees are placed before the Board for information and/or its approval.

Present Composition of the Board, the attendance at the Board Meetings and at the last AGM and number of directorship is as under:

Name of Directors and their Designation	Status-Category	No. of Board Meetings held	No. of Board Meetings attended	Attendance at Last AGM	No. of Outside Directorship held*	Outside Committees**	
						Member	Chairman
Mr. Jitendra Mamtora (WTD)	ED & NID	6	6	Yes	2	-	1
Mrs. Karuna Mamtora (ED)	ED & NID	6	6	Yes	2	-	-
Mr. Satyen Mamtora (ED)	ED & NID	6	6	Yes	1	-	-
Mr. Vinod Masson (ED)	ED & NID	6	6	Yes	-	-	-
Mr. Bhaskar Sen (D)	NED & ID	6	4	No	-	-	-
Mr. Rajendra S. Shah (D)	NED & ID	6	5	Yes	8	-	3
Mr. Harish Rangwala (D)	NED & ID	6	1	No	5	-	-
Mr. Sureshchandra Agarwal (D)	NED & ID	6	3	Yes	3	-	-



- **Including Private Companies, **Committees include Audit Committee & Shareholders' Grievance Committee for the purpose of Clause 49.*
- *WTD-Whole Time Director, MD-Managing Director, ED-Executive Director, D-Director, NID-Non-Independent Director, NED-Non-Executive Director, ID-Independent Director.*

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. Code of Conduct

The Code of Conduct seeks to ensure that the directors and senior management personnel observe a total commitment to their duties and responsibilities while ensuring complete adherence with the applicable statutes on the hand and values and ethics on the other.

In Compliance with clause 49(I)(D) of listing Agreement, the Company has adopted a code of Ethics for principal Executives and the Senior management personnel. All the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct. The Code of Conduct is available on the website of the Company at www.transformerindia.com. A declaration to this effect duly signed by CEO of the Company is attached herewith and forms part of Corporate Governance Report.

Pursuant to SEBI Circular no CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014, amending Clause 35B and 49 of the Equity Listing Agreement, the Code of Conduct of the Company has been modified in the meeting of the Board of Directors of the Company held on 2nd May, 2014 modifying the duties of Independent Directors as laid down in the Companies Act, 2013.

3. Audit Committee

Composition & Attendance

The Audit Committee comprises of 4 Directors out of which 3 are Non-Executive Directors namely Mr. Sureshchandra Agarwal, Mr. Harish Rangwala, & Mr. Rajendra Shah and 1 Executive Director namely Mr. Jitendra Mamtora. The Chairman of the Audit Committee is an Independent Director. 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.

During the year, four Audit Committee Meetings were held as on 26th April, 2013, 13th August, 2013, 29th October, 2013 & 28th January, 2014.

The Statutory Auditors and Internal Auditors attend the meetings by invitation. Mr. Chintan Trivedi, Company Secretary attended the meetings as Secretary. Mr. Sureshchandra Agarwal, Chairman of the Audit Committee was present at the 19th AGM held on 31st July, 2013.

Sr. No.	Name of Members	Designation	Status	No. of Meetings held/attended
1.	Mr. Sureshchandra Agarwal	Chairman	NED & ID	4/4
2.	Mr. Jitendra Mamtora	Member	ED & NID	4/4
3.	Mr. Harish Rangwala	Member	NED & ID	4/1
4.	Mr. Rajendra Shah	Member	NED & ID	4/4

The Committee is authorized by the Board in the manner as envisaged under Clause 49 (II)(C) of the Listing Agreement. The Committee has been assigned task as listed under Clause 49(II)(D) of the Listing Agreement. The Committee reviews the information as listed under Clause 49(II)(E) of the Listing Agreement.

The Terms of reference of Audit Committee has been revised in the meeting of the Board of Directors of the Company held on 2nd May, 2014 to incorporate various additional terms of reference introduced by Section 177 of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement.

4. Subsidiary Companies

Mr. Sureshchandra Agarwal, an Independent Director of the Company is Director on the Board of our non-listed Indian subsidiary Companies i.e. Transpares Ltd. (51%), Transweld Mechanical Engineering Works Ltd. (100%) and TARIL Infrastructure Ltd. (100%).

Financial Statements of our unlisted subsidiary Companies were reviewed by the Audit Committee of the Company and Minutes of their Board Meetings as well as statements of all significant transactions of unlisted subsidiary Companies are placed before the Board for their review.



5. Disclosures

A. Basis of Related Party Transaction

Related Party Transactions during the year have been disclosed vide Note No. 38 of notes on financial statements as per the requirement of Accounting Standards 18 - "Related Party Disclosure" issued by ICAI. These transactions are not likely to conflict with the interest of the Company at large. All significant transactions with related parties are placed before the audit committee periodically.

B. Disclosure of accounting treatment in preparation of Financial Statements

Your Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing financial statements.

C. Details of non-compliance by the Company

Your 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. As per the requirement of the Rule 19(2) of the Securities Contract (Regulation) Rules, 1957 and Clause 40A of the Listing Agreement, the Company is required to maintain minimum public shareholding of 25% of total Share capital of the Company on or before 3rd June, 2013. In order to comply with the requirement of Minimum Public Shareholding, Company has issued the Bonus Shares to the Shareholders on 18th June, 2013, wherein the Promoters has forgone the right to bonus entitlement thereby diluting the holding of Promoter/ promoter group in the Company to 74.90%. Due to procedural time involved in compliance with the above requirement, Company has received a notice from SEBI. On personal hearing with SEBI, Company has satisfied the authority and accordingly the SEBI has issued the Order revoking the directions issued against the Company vide its earlier order.

D. Risk Management

The Company has framed a formal Risk Management Framework for risk assessment and risk minimization which is periodically reviewed to ensure smooth operation and effective management control. The Audit Committee also reviews the adequacy of the risk management framework of the Company, the key risks associated with the business and measure and steps in place to minimize the same.

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

During the year, the Company has not raised any funds through Public Issue / Rights Issue / Preferential Issue / Warrant Conversion.

6. Remuneration Committee

A. Composition & Attendance

The Remuneration Committee comprises of three (3) Non-Executive & Independent Directors namely Mr. Sureshchandra Agarwal, Mr. Harish Rangwala & Mr. Rajendra Shah.

During the year two meetings were held as on 26th April, 2013 and 3rd May, 2013 in which re-appointment of Mr. Jitendra Mamtora as Chairman and Whole time Director for the period of 5 years w.e.f. 1st January, 2012, re-appointment of Mr. Satyen Mamtora as the Managing Director for a period of 3 (three) years w.e.f. 1st April, 2013 and re-appointment of Mr. Vinod Mason for a period of 1 (one) year w.e.f. 11th April, 2013, were carried out.

The Company in its meeting of the Board of Directors held on 2nd May, 2014 has changed the nomenclature of the "Remuneration Committee" to "Nomination and Remuneration Committee" and the additional terms of reference has been added to the existing terms of reference in order to meet the requirements of Section 178 of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement.

B. Terms of Reference

The terms of reference of the Remuneration Committee are inter alia:

- 1) To recommend to the Board, the remuneration packages of Company's Managing/Whole Time/Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, performance 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).
- 2) Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Executive Directors, including pension rights and any compensation payment.
- 3) To implement, supervise and administer any share or stock option scheme of the Company.
- 4) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, Key managerial personnel and other employees.
- 5) Formulation of criteria for evaluation of Independent Directors and the Board.
- 6) Devising a policy on Board diversity.
- 7) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

**C. Remuneration of Directors**

Non-Executive Directors have no pecuniary relationship or transaction with the Company, except receiving sitting fees for attending Meetings. The Company does not pay any severance fee and no stock option is available to the directors. The aggregate value of salary, perquisites, commissions, Performance incentive & Sitting fees paid for the year 2013-14 to all the Directors are as follows.

(₹ in Lacs)

Name of Director	Category	Sitting Fees				Remuneration	Total
		BM	AC	SGC	RC	Fixed Salary	
Mr. Jitendra Mamtora	ED & NID	-	-	-	-	48.00	48.00
Mrs. Karuna Mamtora	ED & NID	-	-	-	-	22.09	22.09
Mr. Satyen Mamtora	ED & NID	-	-	-	-	48.00	48.00
Mr. Vinod Masson*	ED & NID	-	-	-	-	24.00	23.36
Mr. Bhaskar Sen	NED & ID	0.40	-	0.20	-	-	0.60
Mr. Rajendra Shah	NED & ID	0.50	0.30	0.20	0.10	-	1.10
Mr. Harish Rangwala	NED & ID	0.10	0.075	-	0.05	-	0.225
Mr. Sureshchandra Agarwal	NED & ID	0.30	0.30	-	0.10	-	0.70
Total		1.30	0.675	0.40	0.25	142.09	144.08

Note: BM-Board Meeting, AC-Audit Committee Meeting, SGC-Shareholders Grievance Committee Meeting, RC-Remuneration Committee Meeting. Fixed Salary includes Salary, Perks & Retirement Benefits.

*reappointed w.e.f 11th April, 2013

D. Director's Shareholding as on 31st March, 2014

The details of Shares held by Directors are as under:

Sr. No.	Name of Director	Age (yrs)	Designation	Date of Appointment	Nature of Employment	No. of Shares held	% Held
1	Mr. Jitendra Mamtora	68	Chairman & WTD	Since Incorporation	Contractual	8,858,992	66.83
2	Mrs. Karuna Mamtora	63	ED	Since Incorporation	Contractual	267,736	2.02
3	Mr. Satyen Mamtora	39	MD	Since Incorporation	Contractual	97,000	0.73
4	Mr. Vinod Masson	67	ED	April 11, 2012	-	222	-
5	Mr. Bhaskar Sen	73	Director	July 9, 2007	-	-	-
6	Mr. Rajendra Shah	66	Director	August 25, 2005	-	6,622	0.05
7	Mr. Harish Rangwala	64	Director	August 25, 2005	-	3,333	0.03
8	Mr. Sureshchandra Agarwal	64	Director	August 13, 2007	-	-	-

E. Management Discussion and Analysis

The Management Discussion and Analysis Report has been given separately in this Annual Report as required under Clause 49 of the Listing Agreement on page no. 28.

F. CEO/CFO Certification

As required under Clause 49(V) of the Listing Agreement with the stock exchanges, CEO and CFO of the Company have certified to the Board the financial statement for the year ended 31st March, 2014.

7. Shareholders' Grievance Committee**A. Composition & Attendance**

The Shareholder's Grievance Committee comprises of 3 Directors out of which 2 (two) are Non-Executive Directors namely Mr. Rajendra Shah (Chairman) & Mr. Bhaskar Sen and 1 (one) Executive Director namely Mr. Satyen Mamtora. Mr. Chintan Trivedi, Company Secretary attended the meeting as Secretary.

Four Shareholder Grievance Committee meeting were held on 26th April, 2013, 13th August, 2013, 29th October, 2013 & 28th January, 2014.

Sr. No.	Name of Members	Designation	Status	No. Meetings held/attended
1.	Mr. Rajendra Shah	Chairman	NED & ID	4/4
2.	Mr. Bhaskar Sen	Member	NED & ID	4/4
3.	Mr. Satyen Mamtora	Member	ED & NID	4/4



B. Complaints

The Committee is authorized to redress the shareholders' and Investor's complaints. No Complaint was unresolved as on 1st April, 2013 and during the year 2013-14, fifteen complaint was received by the Company and resolved within reasonable period of time to the satisfaction of shareholders. Hence there were no complaints remained unattended/ pending as on 31st March, 2014.

C. Compliance Officer

Mr. Chintan Trivedi, Company Secretary is the Compliance Officer of the Company and can be contacted at Survey No. 427 P/3-4 & 431 P/1-2, Sarkhej-Bavla Highway, Village: Moraiya, Taluka Sanand, Ahmedabad-382213, Gujarat Tel. 02717-661661, Fax : 02717 – 661716, Email : cs@transformerindia.com

D. Terms of Reference

The Shareholders' Grievance Committee specifically looks into the redressal of Shareholders' complaints like transfer of shares/ non-receipt of shares, non-receipt of annual reports, non-receipts of declared dividends/refund/remat/demat request etc.

The Board has delegated the said powers for approving transfer and transmission of shares and issue of duplicate shares to Transfer Committee. The status of transfer, duplicate etc., is periodically reported to the Committee. Other details for shareholders have been provided separately in Shareholders' Information.

The Company in its meeting of the Board of Directors held on 2nd May, 2014 has changed the nomenclature of "Shareholder's Grievance Committee" to "Stakeholder's Grievance and Relationship Committee" in order to meet the requirements of Section 178 of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement.

8. Corporate Social Responsibility Committee

A. Composition:

In order to meet the requirement of the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, Company has in its meeting of the Board of Directors held on 2nd May, 2014 formed the Corporate Social Responsibility Committee comprising of 3 Directors namely Mrs. Karuna Mamtara, Executive Director, Mr. Jitendra Mamtara, Chairman and Wholetime Director and Mr. Rajendra Shah, Independent Director of the Company. Mrs. Karuna Mamtara acts as the Chairperson of the Corporate Social Responsibility Committee.

B. Terms of reference:

The Corporate Social Responsibility Committee is constituted to perform the following functions:

- 1) Formulate and recommend to the Board, a Corporate Social Responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- 2) Recommend the amount of expenditure to be incurred on the activities referred in CSR policy.
- 3) Monitor the Corporate Social Responsibility policy of the Company from time to time.

9. Information about General Body Meetings

A. Annual General Meetings / Extra Ordinary General Meetings

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

Financial Year	Date	Time	No. of Special Resolution	Place of Meeting
2013-14 (EGM)	3 rd June, 2013	2.00 P.M	3	Survey No. 427 P/3-4 & 431 P/1-2 Sarkhej Bavla Highway, Village: Moraiya, Taluka: Sanand, Ahmedabad - 382213
2012-13 (AGM)	31 st July, 2013	11.00 A.M	-	Survey No. 427 P/3-4 & 431 P/1-2 Sarkhej Bavla Highway, Village: Moraiya, Taluka: Sanand, Ahmedabad - 382213
2011-12 (AGM)	8 th August, 2012	11.00 A.M	1	Survey No. 344-350, Sarkhej-Bavla Highway, Changodar, Sanand, Ahmedabad-382213
2010-11 (AGM)	29 th July, 2011	11.00 A.M	-	Survey No. 344-350, Sarkhej-Bavla Highway, Changodar, Sanand, Ahmedabad-382213

**B. Special Resolutions**

Particulars of Special Resolutions passed are as follows :

Financial Year	Date	Particulars
2013-14 (EGM)	3 rd June, 2013	1. Alteration of Article 228 of the Articles of Association of the Company. 2. To issue Bonus Shares 3. To re-appoint Mr. Vinod Masson as Executive Director for a period of 1 (One) year.
2012-13 (AGM)	31 st July, 2013	No resolution was passed as Special Resolution
2011-12 (AGM)	8 th August, 2012	To appoint Mr. Vinod Masson as an Executive Director of the Company
2010-11 (AGM)	29 th July, 2011	No Resolution was passed as Special Resolution.

C. Postal Ballot

During the year under review the Company had transacted the following business as special resolution through Postal Ballot under the provisions of Section 192A of the Companies Act, 1956 and the Companies (Passing of Resolutions by Postal Ballot) Rules, 2011:

Resolution no. 1: To reappoint Mr. Jitendra Mamtara as Chairman & Whole time Director of the Company and also to fix his remuneration

Resolution no. 2: To reappoint Mr. Satyen Mamtara as Managing Director of the Company and also fix his remuneration

Resolution no.3: For approval of ratification and confirm the payment of excess remuneration made to Mr. Jitendra Mamtara, CM & WTD of the Company and for waiver of excess remuneration paid to him for the Financial Year 2011-12 subject to approval of Central Government.

Resolution no.4: To reaffirm and rectify earlier resolution of re-appointment of Mr. Satyen Mamtara, Managing Director of the Company by making necessary disclosure, as required under schedule XIII of the Act

Resolution no. 5: For shifting Registered Office of the Company under Section 146 of the Companies Act, 1956.

The Company had appointed Mr. Tapan Shah, Practising Company Secretary as the scrutinizer for conducting the Postal Ballot in fair and transparent manner. The details of voting Pattern are as under:

Sr. No	Particulars	Resolution No. 1		Resolution No. 2		Resolution No. 3		Resolution No. 4		Resolution No. 5	
		No. of PBF/ E-Voting	No. of Shares	No. of PBF/ E-Voting	No. of Shares	No. of PBF/ E-Voting	No. of Shares	No. of PBF/ E-Voting	No. of Shares	No. of PBF/ E-Voting	No. of Shares
a.	Total Postal ballot Forms (PBF) received (Physical)	329	1,162,865	329	1,162,865	329	1,162,865	329	1,162,865	329	1,162,865
b.	E-voting Opted	43	8,964,614	43	8,964,614	43	8,964,614	43	8,964,614	43	8,964,614
	Total Voting	372	10,127,479	372	10,127,479	372	10,127,479	372	10,127,479	372	10,127,479
c.	Less. Invalid Postal Ballot Forms	35	1,642	35	1,642	35	1,642	35	1,642	35	1,642
d.	Net Valid Postal Ballot Forms/ E-voting :	337	10,125,837	337	10,125,837	337	10,125,837	337	10,125,837	337	10,125,837
e.	Less : Postal Ballot Forms/E-Voting - not voted for	1	15	1	15	2	125	1	45	--	--
f.	Net Valid Postal Ballot Forms/ E-voting exercised:	336	10,125,822	336	10,125,822	335	10,125,712	336	10,125,792	337	10,125,837
i)	Postal Ballot Forms/e-Voting with assent for the Resolution	282	10,122,759	281	10,122,825	247	10,119,000	277	10,123,153	300	10,123,896
	% of Assent	83.93	99.97	83.63	99.97	73.73	99.93	82.44	99.97	89.02	99.98
ii)	Postal Ballot Forms/e-Voting with dissent for the Resolution	54	3,063	55	2,997	88	6,712	59	2,639	37	1,941
	% of Dissent	16.07	0.03	16.37	0.03	26.27	0.07	17.56	0.03	10.98	0.02



The Company has proposed to transact following business as special resolution/ordinary resolution through Postal Ballot:

- Increase in borrowing power u/s. 180(1)(c) of the Companies Act, 2013.
- Mortgage, Hypothecate and/ or charge all or any of the movable and or immovable properties of the Company u/s. 180(1) (a) of the Companies Act, 2013.
- To revise the terms of remuneration of Mr. Jitendra Mamtora, Chairman and Wholetime Director of the Company.
- To revise the terms of remuneration of Mr. Satyen Mamtora, Managing Director of the Company.
- To adopt new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.
- To re-appoint Mr. Vinod Masson as an Executive Director of the Company upto 30th June, 2015.
- To re-appoint Mrs. Karuna Mamtora as an Executive Director of the Company for a period of 3 years.

10. Non-Mandatory Requirements

- **The Board:** The Companies Act, 2013 provides for the appointment of Independent Director. Sub section (10) of Section 149 of the Companies Act, 2013 provides that the Independent Director shall hold the office for a term of upto 5 consecutive years on the Board of the Company; and shall be eligible for re-appointment on passing a Special resolution by the Shareholders of the Company. Sub section (11) states that no Independent Director shall be eligible for more than two consecutive terms of 5 years.

The Company have initiated and proposed appointment of Independent Directors for period of 5 years at the ensuing Annual General Meeting of the Company.

- **Remuneration Committee:** The Company has constituted Remuneration Committee. A detailed note on Remuneration Committee is provided elsewhere in the Report.
- **Shareholder's Rights:** 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 newspapers 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:** Board Members are regularly updated about the enactment of the new Acts and provisions thereof which are directly affecting the Company. They are broadly briefed about their responsibilities and duties in general as directors of the Company. Presentations are done in Board Meeting such that they remain updated and focused.
- **Mechanism for evaluating non-executive Board Members:** The Company is in process of framing policy on evaluation of non-executive Board Members.
- **Whistle Blower Policy:** TRIL has implemented a Whistle Blower policy covering its employees. The policy provides access to the Chairman of the Audit Committee. Employees can lodge their Complaints through anonymous e-mails besides usual means of communications like written complaints.

11. Means of Communication

A. Financial Results for the Quarter ended

30 th June, 2014	- 45 days from end of Quarter 30 th June, 2014
30 th September, 2014	- 45 days from end of Quarter 30 th September, 2014
31 st December, 2014	- 45 days from end of Quarter 31 st December, 2014
Audited Results for the year ended on 31 st March, 2015	- 60 days from end of Financial Year (i.e. on or before 30 th May, 2015) (As per Clause 41 of Listing Agreement)

The Company has published its Quarterly/Half yearly Financial Results in a daily newspapers both English and vernacular language where the registered office of the Company is situated as per Listing Agreement. The result was also submitted to Stock Exchanges as per Clause 41 of the Listing Agreement. The result and presentations made to Institutional Investors or to the Analysts were also displayed on Company's website www.transformerindia.com.

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web based application designed by NSE for Corporates. The Shareholding Pattern, Corporate Governance Report, Reconciliation of Share Capital Audit and various other corporate announcements are filed electronically on NEAPS.

BSE Listing Centre: The new electronic system introduced by Bombay Stock Exchange Limited for submission of Quarterly/ Half Yearly / yearly compliance like Share holding Pattern, Corporate Governance Report, Board Meeting intimation of the Company and other corporate announcements in E-Mode. BSE Listing Centre is web based application designed by Bombay Stock Exchange for Corporates.



SEBI Complaints Redress System (SCORES): Securities Exchange Board of India introduced for quick resolution of Investors Grievances SEBI Complaints Redress System (SCORES). The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned Companies and online viewing by investors of actions taken on the complaint and its current status.

12. General Information for Shareholders

A. Annual General Meeting :

Date : 10th September, 2014 (Wednesday)
 Time : 4.00 p.m.
 Venue : Survey No.427 P/3-4 & 431 P/1-2, Sarkhej-Bavla Highway,
 Village: Moraiya, Tal.: Sanand, Dist: Ahmedabad-382213, Gujarat.

B. Financial Year : 1st April, 2013 to 31st March, 2014

C. Book Closure : The Register of Members and Share Transfer Books of the Company will remain close from Saturday, 6th September, 2014 to Wednesday, 10th September, 2014 (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:

- as beneficial owners at the end of the business day 5th September, 2014 as per the details available with NSDL and CDSL.
- On the Register of Members as on 5th September, 2014 of the owners holding shares in physical form.

D. Dividend Payment Date: On or After 15th September, 2014 but within the statutory time of 30 days from the date of Approval.

E. Listing on Stock Exchanges & Stock Code

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

Security	Group & Stock Code at BSE	Scrip ID at NSE	ISIN
Equity Shares	TRIL/B - 532928	TRIL	INE763I01018

The Company has paid listing fees to Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. for financial year 2014-15.

As on 31st March, 2014, there were 38,121 shareholders of the Company.

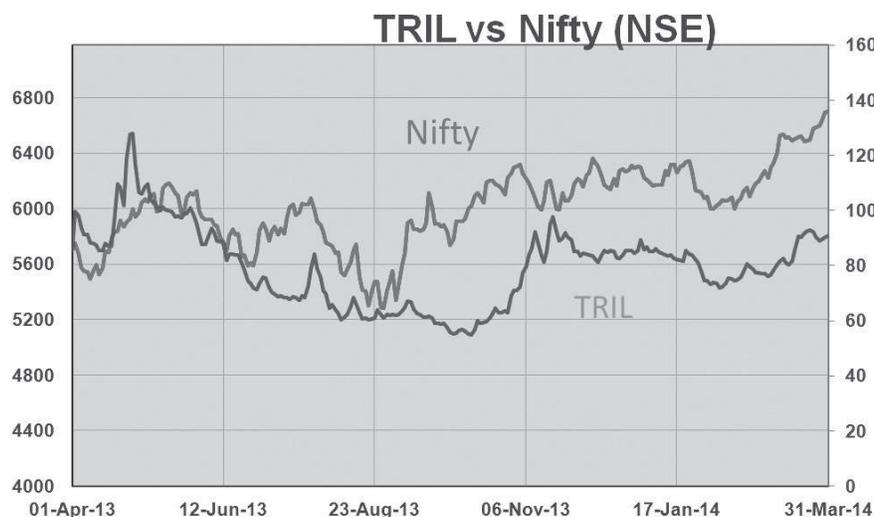
F. Market Price Data

The Monthly High & Low share price of BSE & NSE Compared to SENSEX & Nifty during the financial year 2013-14 are as under :

Months	BSE Share Price (₹)		BSE Sensex		NSE Share Price (₹)		Nifty	
	High	Low	High	Low	High	Low	High	Low
Apr-13	130.90	78.00	19,622.68	18,144.22	131.00	77.60	5,962.30	5,477.20
May-13	132.40	91.75	20,443.62	19,451.26	132.40	90.70	6,229.45	5,910.95
Jun-13	96.70	70.05	19,860.19	18,467.16	96.65	69.70	6,011.00	5,566.25
Jul-13	86.70	62.50	20,351.06	19,126.82	86.50	63.35	6,093.35	5,675.75
Aug-13	69.00	57.50	19,569.20	17,448.71	71.50	57.55	5,808.50	5,118.85
Sep-13	72.00	55.55	20,739.69	18,166.17	69.95	55.70	6,142.50	5,318.90
Oct-13	72.90	54.40	21,205.44	19,264.72	74.00	54.30	6,309.05	5,700.95
Nov-13	101.00	70.80	21,321.53	20,137.67	100.90	70.05	6,342.95	5,972.45
Dec-13	88.50	80.80	21,483.74	20,568.70	88.75	80.30	6,415.25	6,129.95
Jan-14	90.90	72.10	21,409.66	20,343.78	91.35	72.65	6,358.30	6,027.25
Feb-14	82.25	69.75	21,140.51	19,963.12	81.00	69.10	6,282.70	5,933.30
Mar-14	96.00	74.80	22,467.21	20,920.98	96.40	74.85	6,730.05	6,212.25



G. Price Movement Chart : TRIL vs Nifty



H. Registrar and Shares Transfer Agents (RTA)

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.
C-13 Pannalal Silk Mill Compound,
L. B. S. Marg, Bhandup (West), Mumbai - 400 078
Tel No. : 022 - 25963838 - 2301
Fax No : 022 - 25946969
E-mail : rnt.helpdesk@linkintime.co.in

Our RTA has a separate cell to take care of telephone calls, emails (rnt.helpdesk@linkintime.co.in), letters etc. received from shareholders and separate set of telephone lines on hunting, with the primary number as 022-25946970.

I. Share Transfer System

Applications for transfer of shares in physical form are processed by the Company's RTA M/s. Link Intime India Pvt. Ltd., Mumbai. The Transfer Committee constituted for transfer/transmission of shares, issue of duplicate shares, demat / remat request 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 obtained certificates from Company Secretary in Practice for compliance of share transfer formalities as per the requirement of Clause 47(c) of the Listing Agreement on half yearly basis. The Company also carried out quarterly Secretarial Audit for the reconciliation of Share Capital regularly.

J. Distribution of Shareholding (As of 31st March, 2014)

No. of Shares of ₹ 10/- each	Shareholders		Share Amount	
	Number	%	₹	%
Upto - 5,000	37,069	97.24	16,347,840	12.33
5,001 - 10,000	591	1.55	4,101,160	3.09
10,001 - 20,000	298	0.78	4,008,470	3.02
20,001 - 30,000	87	0.23	2,139,990	1.61
30,001 - 40,000	14	0.04	486,200	0.37
40,001 - 50,000	12	0.03	541,240	0.41
50,001 - 100,000	31	0.08	2,187,390	1.65
100,001 & above	19	0.05	102,751,820	77.51
Total	38,121	100.00	132,564,110	100.00

**K. Details of Unclaimed Shares**

As per the new clause 5A of the Listing agreement, as on 1st April, 2013, the Company has 28 cases consists of 420 unclaimed shares, allotted under the Initial Public Offering (IPO) of the Company, completed during December, 2007. The Company has opened separate demat suspense account as per the procedure prescribed under the said clause. During the year Company has not received any request on unclaimed shares but Company declared bonus share in the ratio of 1:9 which results in addition of 46 shares. So far as on 31st March, 2014 there were 28 cases consists of 466 unclaimed shares in demat suspense account.

L. Shareholding Pattern (As of 31st March, 2014)

Sr. No.	Categories	No. of shares	% of voting
A	Promoters Holding :		
	Promoters - Indian - Foreign	9,928,415 -	74.90 -
B	Non Promoter Holding :		
	Institutional - Mutual Fund - Financial Institutions/Banks - FIIs	- 23,333 -	- 0.18 -
	Non-Institutional :		
	- Bodies Corporate - Individuals	287,165	2.17
	Capital upto ₹1 Lacs Capital greater than ₹ 1 Lacs	2,657,653 251,445	20.05 1.90
Any Others - Clearing Member - NRIs - Trusts - Directors/Relatives	47,202 46,896 4,125 10,177	0.36 0.35 0.03 0.08	
	Grand total	13,256,411	100.00

M. Demat & Liquidity

As on 31st March, 2014 :

Mode	No. of Equity Shares	% of Total Holding
Dematerialized	13,254,268	99.98
Physical	2,143	0.02
Total	13,256,411	100.00

The trading in the Company's equity shares is compulsorily in dematerialized mode. 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.

As on 31st March, 2014 there were 12,101,147 Equity shares & 1,153,121 equity shares held in dematerialized form with NSDL & CDSL respectively.

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, 2014.

O. Plant Locations

1. Unit I, Moraiya, Ahmedabad
2. Unit II, Changodar, Ahmedabad
3. Unit III, Odhav, Ahmedabad
4. Unit IV, Odhav, Ahmedabad



P. Investors Communication

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

M/s. Link Intime India Pvt. Ltd.
 C-13 Pannalal Silk Mill Compound,
 L. B. S. Marg, Bhandup (West), Mumbai - 400 078
 Tel No. : 022-25963838, 022-25946970
 Fax No : 022-25946969
 E-mail : rnt.helpdesk@linkintime.co.in

For other inquiry:

Mr. Chintan Trivedi, Company Secretary & Compliance Officer
Transformers & Rectifiers (India) Limited
 Survey No. 427 P/3-4 & 431 P/1-2, Sarkhej-Bavla Highway, Village : Moraiya,
 Taluka : Sanand, Dist : Ahmedabad - 382213, Gujarat, India.
 Telephone : 02717 - 661661, Fax : 02717 - 661716
 Email : cs@transformerindia.com

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

The Board of Directors of the Company has adopted code of conduct; followed by all members of the Board and all senior Management personnel of the Company in compliance with the 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 a declaration of compliance with the Code of Conduct as applicable to them from each member of the Board and Senior Management Personnel.

Place : Ahmedabad
 Date: 2nd May, 2014

Jitendra U. Mamtora
 Chairman

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

CIN : L33121GJ1994PLC022460

Nominal Capital : ₹ 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, 2014.

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 representations made by the Management, I certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in above mentioned listing agreement.

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 : 2nd May, 2014

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



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OUTLOOK

The Performance of Indian Economy remained weaker from very first quarter of FY 2013-14 when it recorded GDP growth rate of 4.4% the slowest in over a decade. Even as the rupee wobbled and investments in new projects shrank, the growth rate rose by a blip to 4.8% in the second quarter. It then wilted a little bit in the third quarter to 4.7%. These growth rates have not been enough to suggest that the advance estimates of 4.9% could be realized. The economy will now have to record 5.5% growth in the fourth quarter to realize the forecast, which on current assessment, looks difficult. This has been further confirmed by RBI in its report on Macroeconomic and Monetary Developments 2014-15 (MMDR).

India's current account deficit (CAD) has plunged to 0.2% of GDP in the March quarter, from 3.6% a year ago as imports crushed due to curbs on gold imports. For the fiscal year, CAD fell to 1.7% of GDP, or \$32.4 bn from 4.7% or \$87.8 bn a year ago.

It is expected that a strong and stable government under the leadership of a dynamic administrator with proven track record of growth-related success; would bring back the growth momentum and that a GDP growth of 6.5- 7.0 % should be achievable in this fiscal itself.

BUDGET IMPACT

2014 being an election year, a full year budget could not be presented. The critical policy changes like amendments to the Electricity Act, 2003 and the National Tariff Policy, 2006, which have been presented to the cabinet for approval, and are close to being finalized and will now be put in fast track, which is expected to drive investor interest, including foreign players.

POWER SECTOR/ POWER EQUIPMENT INDUSTRY

There has been some qualitative and quantitative progress in the power sector in the last six months due to Power Ministry's initiatives. Generation growth till December, 2013, has been 8,700 MW, none-too-insignificant. The Transmission sector's performance has also been impressive, especially with the integration of the Southern grid with the National grid.

After a weak growth of 2.2% in the 1st quarter of FY 2013-14, mainly due to growth in exports, the 2nd quarter witnessed a growth of 9.8% taking the first half growth to 6.4%. The 3rd quarter growth, however, dropped to a dismal 0.9% taking cumulative growth to 4% in the first nine months of FY 2013-14. It looks particularly distressing against backdrop of negative 7.8% growth in 2012-13. The Core Sector expanded 4.5% in February, 2014 - its quickest pace in five months. The core sector index has a 38% weight in the index of Industrial Production (IIP), which makes it a lead indicator of industrial activity. This improvement was largely driven by electricity generation (10.4%) and steel (4.5%) and to a lesser extent by cement (2.3%). Unfortunately however, the core sector performance in March itself belied any hopes of pickup in the sector.

India's power deficit contracted to a record low of 3.3% in February 2014, but it brings no cheers as it only reflects economic slowdown, poor financial health of power distribution Companies, which prefer to cut supply rather than demanding more power from producers. It is rather unfortunate that generation projects worth ₹ 90,000 Crores (30,000 MW) are stranded due to lack of buyers.

The most reassuring development, however, is the fact that the new finance ministry would draw up a blockbuster reform agenda at freeing up the finance sector and engineering, a revival which is expected to put the country back on a high-growth trajectory.

CURRENT AND FUTURE PROSPECTS

If we restrict our vision till the end of the current plan (March, 2017), the business prospects of electrical power equipments will largely depend on the following critical issues:

(1) the crying need is to strengthen discom finances. If discoms get financially strong, they can buy more power to push up demand, the Plant Load Factor (PLF) improves as also the profit margins for the power generators. Only then more and more new projects will come up, ultimately leading to revival of investor interest.

(2) A strong and stable Government at the center can push reforms that can propel growth. Top guns of Corporate India have been blaming red tape and delay in decision making for slowdown of economy and sluggish growth. Investor confidence must be restored, coal and gas availability also must be ensured.

(3) Despite an installed capacity of over 234 giga watt (GW), India is able to meet a peak demand of only 128 GW. One of the major reasons for this gap is the lack of strong transmission network. Transmission infrastructure development did not keep pace with generation capacity growth during the tenth and eleven plan periods. As per a recent Power System Operation Corporation Ltd report, around 30% transmission lines are severely overloaded and stressed. Transmission capacity addition has been impacted by several issues: (a) Dearth of talented and dedicated professionals/ skilled man power, (b) inadequate commercial tower testing facilities/ insulators/optical ground wire, (c) sourcing of funds from banks, (d) lack of administrative support/ absence of necessary laws, (e) lack of compensation policy for right-of-way (ROW), (f) slow legal and administrative procedures for obtaining statutory clearances, including environmental and forest clearances, and (g) location-specific issues. This can be logically expected with new stable government at center.

Right steps can go a long way in removing transmission bottlenecks and providing adequate evacuation facilities for the generation capacity planned to be added in the 12th plan. Again a stable government is expected to address the issues and find quick solutions.



Against this backdrop, things are expected to look up in the second half of the current fiscal itself, and most certainly business environments and prospects will vastly improve in the 4th and terminal years of the current 5-year plan.

CHALLENGES, OPPORTUNITIES & THREATS

Exports of electrical equipments from India stands around \$ 4.5 bn, which is less than 1% of global trade in electrical equipments. Electricity is a sunrise sector across the entire developing world. Thus, there exists huge potential for Indian electrical equipment manufacturers to tap the export markets, and progressively push its share up to 5% of the global trade by the end of the 13th plan (March, 2022). No business can run on the assumption that the sky will be blue all the time. Life is under no obligation to give us what we expect. So we must choose to compete rather than choose to complain.

Till the domestic market demand picks up, we must learn to work under tight working capital norms. Even if Debtors are not quite in our control, inventories certainly are. The manufacturing and execution cycle times must be optimal; the internal failures and rework should be minimal, and cost reduction/value engineering/ technical innovation must be ongoing tasks.

It is estimated that the size of the electrical equipments (including generation equipments) stood around ₹ 169,000 Crores in 2012-13. About ₹ 64,000 Crores worth of equipments is believed to have been imported. This constitutes 38% of the market size. India has entered into super critical technology for generation, and 765 kV transmission (1200 kV is still in the testing stage). So, in the initial phase, lack of experience and expertise may cause higher percentage of imports, which will most certainly taper off later. Therefore, we must not be daunted by the transition phase, but strive continuously towards improving our technical capability to meet the demands of the dynamic market.

OPPORTUNITY POTENTIAL FOR POWER TRANSFORMERS

Based on projections released by the Planning Commission in June 2012, India is expected to add 88,425 MW of new generation capacity. As a traditional thumb rule, 1 MW of new generation capacity added needs 7MVA of transformation capacity. However, since India is moving to a regime of extra high voltage transmission 765 kV as opposed to 440 kV earlier, it is now estimated that the MW-MVA transformation ratio will be around 10 instead of 7. Thus, the 12th Plan will need 884,250 MVA of new transformational capacity, at least from a technical standpoint. In other words, the average annual demand for Transformers, based on new generation capacity alone will be around 1.77 lakh MVA. The lifespan of a typical power transformer is 25-30 years. Given this, the transformers installed in the 1980s and 1990s would need to be progressively replaced. Experts suggest that the 'Replacement' demand should be in the order of 30,000 MVA per year. The total demand, therefore, should be around 2.07 lakh MVA per year during the ongoing 12th Plan. This takes into account transformers procured by power utilities alone. Apart from utilities, transformers are also deployed by power-intensive industrial plants like Steel, Aluminum, Cement, Fertilizers, etc. that have their own captive plants. It is estimated that around 70% of domestic transformer production is consumed by power utilities, followed by 20% by the Industrial sector. The remaining 10% is destined for the Export market, Taking into account all the principal avenues of consumption-power industry and exports, aggregate demand is likely to be in the region of 2.5 to 2.8 lakh MVA per year in the 12th Plan.

Presently, the annual capacity in the country is estimated in the range of 2.5- 3.0 lakh MVA, utilized to the extent of 65%. As such, the available domestic capacity should be sufficient to meet the projected annual demand. It is further expected that power transformer manufacturers would prefer to move up the value chain to cater to the EHV regime, typically 765 kV transformers, instead of merely augmenting manufacturing capacity. PGCIL is poised to become a big demand driver for high rating power transformers. PGCIL is expected to spend ₹ 1 trillion in the 12th Plan period against an actual capital expenditure of ₹ 55,000 Crores in the 11th Plan period. It is estimated in a typical power transmission project, 15% of the investments go towards transformers. By this reckoning, PGCIL is likely to purchase power transformers worth ₹ 15,000 Crores in the 12th Plan period.

However, it will be jaundiced view if Transformer prospects are delinked from the overall Power Sector environment and examined in isolation. Ground realities are different but a strong and stable government would improve things and situation should most certainly improve effective next fiscal.

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. Your Company has appropriate internal control systems for business process, with regards to efficiency of operations, financial reporting, compliance with applicable laws and regulations etc. All parameters are monitored and controlled at regular interval. Internal audits are conducted by experienced firm of Chartered Accountants in close coordination with Company's finance department. The findings of the Audit team are discussed internally as well as in the Audit Committee meetings. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them from time to time. 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

Human Resources Development plan is integral part of T&R's People Development Philosophy and commitment. The Company continued its drive to institutionalize and upgrade its HR processes. In particular, it focused on Performance Management System (Driving Business Performance, through PMS). Multiple awareness sessions have been scheduled covering all staff level of employees throughout the year.



New Processes like Manpower Planning, Confirmation Meetings, and Employee Engagement Services has been introduced. Policies on Prevention of Sexual Harassment to ensure a safe, congenial, positive and productive working environment by making the workplace free from sexual harassment and Whistle Blower pursuant to the Listing Agreement have been successfully implemented.

Total of 3804 man days training was imparted during the year. Training needs has been identified along with self-assessment and HODs assessment; in addition, there are certain standard courses which different level of employees to go-through depending upon the role.

Employee Relations at all locations remain cordial and our endeavor is to capitalize on strength of every employee to boost the performance of the Company.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Comparison of various items between financial statements for fiscal year 2014 and fiscal year 2013:

(₹ in Lacs)

Particulars	Standalone				Consolidated			
	FY 2014		FY 2013		FY 2014		FY 2013	
	₹	%	₹	%	₹	%	₹	%
Net Sales	57,726.72	79.92%	44,956.60	87.31%	58,982.22	80.17%	45,168.71	87.30%
Contract Revenue	11,042.36	15.29%	5,060.69	9.83%	11,042.36	15.01%	5,060.69	9.78%
Service Income	2,040.41	2.82%	196.22	0.38%	2,019.39	2.74%	197.96	0.38%
Other Operating Income	1,016.35	1.41%	754.81	1.47%	1,116.35	1.52%	808.16	1.56%
Other Income	406.36	0.56%	522.56	1.01%	413.28	0.56%	509.19	0.98%
Total Income	72,232.20	100.00%	51,490.88	100.00%	73,573.60	100.00%	51,744.71	100.00%
Raw Material Consumed	60,232.45	83.38%	42,361.10	82.27%	60,188.65	81.80%	41,762.24	80.71%
Decrease/(Increase) in Stock	(930.42)	(1.29%)	(85.89)	(0.17%)	(1,054.07)	(1.43%)	(218.22)	(0.42%)
Employee Cost	2,374.57	3.29%	1,920.52	3.73%	2,508.91	3.41%	2,034.20	3.93%
Other Expenses	6,527.92	9.04%	4,966.65	9.65%	7,577.05	10.30%	5,537.36	10.70%
Total Expenses	68,204.52	94.42%	49,162.38	95.48%	69,220.54	94.08%	49,115.58	94.92%
EBIDTA	4,027.68	5.58%	2,328.50	4.52%	4,353.06	5.92%	2,629.13	5.08%
Finance Costs	2,333.32	3.23%	1,022.72	1.98%	2,420.69	3.29%	1,086.59	2.10%
Depreciation	927.84	1.28%	698.08	1.36%	1,000.14	1.36%	756.68	1.46%
PBT	766.52	1.07%	607.70	1.18%	932.23	1.27%	785.86	1.52%
Taxation	286.01	0.40%	134.42	0.26%	329.97	0.45%	196.19	0.38%
Minority Interest	-	-	-	-	17.71	0.02%	38.46	0.07%
Share in Profit/(Loss) of Associates	-	-	-	-	(65.76)	(0.09%)	(60.73)	(0.12%)
PAT	480.51	0.67%	473.28	0.92%	518.79	0.71%	490.48	0.95%

STANDALONE BASIS

Total income of the Company has increased to ₹ 72,232.20 Lacs in FY 2014 from ₹ 51,490.88 in FY 2013. Profit before taxation has increased to ₹ 766.52 Lacs during FY 2014 from ₹ 607.70 Lacs during FY 2013. Profit after tax for FY 2014 stood at ₹ 480.51 Lacs compared to ₹ 473.28 Lacs during FY 2013.

CONSOLIDATED

Total income of the Company has increased to ₹ 73,573.60 Lacs in FY 2014 from ₹ 51,744.71 in FY 2013. Profit before taxation has increased to ₹ 932.23 Lacs during FY 2014 from ₹ 785.86 Lacs during FY 2013. Profit after tax for FY 2014 stood at ₹ 518.79 Lacs compared to ₹ 490.48 Lacs during FY 2013.

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.



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of TRANSFORMERS & RECTIFIERS (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

We draw attention to note 33 to the financial statements regarding certain overdue receivables considered good and recoverable by the Management of the Company for the reasons mentioned in the said note.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
 - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117365W)

Gaurav J. Shah
Partner

Membership No. 35701

Place : Ahmedabad
Date : 2nd May, 2014



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to the nature of the Company's business/activities/result, clauses (xiii) and (xiv) of the order are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) In respect of the loans, secured or unsecured, granted by the Company to Companies, firms or other parties covered in the Register under section 301 of the Companies Act, 1956:
 - (a) The Company has granted unsecured loans to a party covered in the register maintained under section 301 of the Companies Act, 1956. At the year-end, the outstanding balances of such loans aggregated to ₹ 1,003.21 lacs and the maximum amount involved during the year was ₹ 1,168.21 lacs.
 - (b) According to the information and explanations given to us, the rate of interest and the other terms and conditions are not, in our opinion, prima facie, prejudicial to the interest of the Company.
 - (c) The aforesaid loans are repayable on demand and no repayment schedules have been stipulated. The receipts of interest have been regular.

In respect of loans, secured or unsecured, taken by the Company from Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

 - (a) The Company has taken loans aggregating ₹ 1,334.45 lacs from the parties during the year. At the year-end, the outstanding balances of such loans taken aggregated ₹ 12.49 lacs and the maximum amount involved during the year was ₹ 573.49 lacs.
 - (b) According to the information and explanations given to us, the rate of interest and the other terms and conditions are not, in our opinion, prima facie, prejudicial to the interest of the Company.
 - (c) The aforesaid loans are repayable on demand and no repayment schedules have been stipulated. The payments of interest have been regular.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) In our opinion and according to the explanations given to us, the transactions made in pursuance of contracts of 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 any party during the year have been made at the prices which are reasonable having regards to prevailing market price at the relevant time.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (viii) In our opinion, the internal audit functions carried out during the year by firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.



- (ix) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (x) According to the information and explanations given to us in respect of statutory dues:
- The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investors' Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - There were no undisputed amounts payable in respect of Income-tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.
 - Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2014 on account of disputes are given below:

Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ in Lacs)
Central Excise Act, 1944	Excise Duty	Commissioner of Central Excise (Appeals)	FY 2009-10 & 2012-13	41.77
Central Excise Act, 1944	Excise Duty	Central Excise Service Tax Appellate Tribunal (CESTAT)	FY 2006-07 to FY 2009-10	142.79
Central Excise Act, 1944	Excise Duty	Commissioner / Assistant Commissioner of Central Excise	FY 2007-08, 2009-10, 2010-11 & 2012-13	1.99
Central Excise Act, 1944	Excise Duty	Supreme Court	FY 2006-07 & 2009-10	64.31

- (xi) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- (xii) In our opinion and according to the information and explanations given to us, 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) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the Company.
- (xv) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have 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 Company has not raised any monies by way of public issue during the year.
- (xx) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117365W)

Gaurav J. Shah
Partner

Membership No. 35701

Place : Ahmedabad
Date : 2nd May, 2014



Balance Sheet

As at 31st March, 2014

(₹ in Lacs)

	Note	As at 31 st Mar 2014	As at 31 st Mar 2013
I. EQUITIES AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	1,325.64	1,292.36
(b) Reserves & Surplus	3	32,250.34	31,917.75
		<u>33,575.98</u>	<u>33,210.11</u>
(2) Non Current Liabilities			
(a) Long Term Borrowings	4	2,066.34	528.96
(b) Deferred Tax Liabilities	5	1,172.20	928.01
(c) Other Long Term Liabilities	6	1,589.47	2,802.89
(d) Long Term Provisions	7	63.84	63.17
		<u>4,891.85</u>	<u>4,323.03</u>
(3) Current Liabilities			
(a) Short Term Borrowings	8	13,599.18	9,517.50
(b) Trade Payables	9	22,124.23	9,779.81
(c) Other Current Liabilities	10	4,237.64	4,863.25
(d) Short Term Provisions	11	163.44	155.27
		<u>40,124.49</u>	<u>24,315.83</u>
TOTAL		<u>78,592.32</u>	<u>61,848.97</u>
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		14,284.98	14,305.99
(ii) Intangible Assets		91.84	110.36
(iii) Capital Work in Progress		2,568.28	1,705.32
		<u>16,945.10</u>	<u>16,121.67</u>
(b) Non Current Investments	13	236.19	236.19
(c) Long Term Loans & Advances	14	1,132.30	996.74
(d) Other Non Current Assets	15	348.79	433.37
		<u>18,662.38</u>	<u>17,787.97</u>
(2) Current Assets			
(a) Inventories	16	11,950.69	10,294.57
(b) Trade Receivables	17	38,109.47	22,851.92
(c) Cash & Cash Equivalents	18	1,944.23	3,016.49
(d) Short Term Loans & Advances	19	4,276.72	3,403.81
(e) Other Current Assets	20	3,648.83	4,494.21
		<u>59,929.94</u>	<u>44,061.00</u>
TOTAL		<u>78,592.32</u>	<u>61,848.97</u>

Significant Accounting Policies

1

The accompanying notes are an integral part of the Financial Statements

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants
Registration No. 117365W

Gaurav J. Shah
Partner
Membership No. 35701

Place : Ahmedabad
Date : 2nd May, 2014

For and on behalf of the Board

Jitendra U. Mamtora
Chairman
DIN: 00139911

Rahul Shah
CFO

Satyen J. Mamtora
Managing Director
DIN: 00139984

Chintan Trivedi
Company Secretary

Place : Ahmedabad
Date : 2nd May, 2014



Profit and Loss Statement

For the Year ended on 31st March, 2014

(₹ in Lacs)

	Note	Year Ended on 31 st Mar 2014	Year Ended on 31 st Mar 2013
CONTINUING OPERATIONS			
I. Revenue from Operations (Gross)	21	79,643.62	56,279.62
Less : Cenvat Duty recovered on Sales & Service Income		7,817.78	5,311.30
Revenue from Operations		71,825.84	50,968.32
II. Other Income	22	406.36	522.56
III. Total Revenue (I + II)		72,232.20	51,490.88
IV. Expenses			
(a) Cost of Raw Materials Consumed	23	60,232.45	42,361.10
(b) (Increase)/Decrease in Stock of Finished Goods and Process Stock	24	(930.42)	(85.89)
(c) Employee Benefits Expense	25	2,374.57	1,920.52
(d) Finance Costs	26	2,333.32	1,022.72
(e) Depreciation & Amortisation Expense		927.84	698.08
(g) Other Expenses	27	6,527.92	4,966.65
Total Expenses		71,465.68	50,883.18
V. Profit Before Tax (III-IV)		766.52	607.70
VI. Tax Expenses			
(a) Current Tax		160.00	123.00
(b) MAT Credit Entitlement		(133.91)	(123.00)
(c) Deferred Tax		244.20	191.60
(d) Short/(Excess) Provision for taxation for earlier years		15.72	(57.18)
VII. Profit for the Year (V-VI)		480.51	473.28
VIII. Earnings Per Equity Share			
Basic & Diluted (₹)	41	3.62	3.57
Nominal Value per Share (₹)		10.00	10.00
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements			

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants
Registration No. 117365W

Gaurav J. Shah
Partner
Membership No. 35701

Place : Ahmedabad
Date : 2nd May, 2014

For and on behalf of the Board

Jitendra U. Mamtora
Chairman
DIN: 00139911

Rahul Shah
CFO

Satyen J. Mamtora
Managing Director
DIN: 00139984

Chintan Trivedi
Company Secretary

Place : Ahmedabad
Date : 2nd May, 2014

**Cash Flow Statement**For the Year ended on 31st March, 2014

(₹ in Lacs)

	Year Ended on 31 st Mar 2014	Year Ended on 31 st Mar 2013
(A) Cash Flow from Operating Activities		
1. Profit before Tax	766.52	607.70
2. Adjustments for:		
a) Depreciation & amortisation expense	927.84	698.08
b) Finance costs	2,333.32	1,022.72
c) Interest income	(371.56)	(490.43)
d) Unrealised foreign exchange loss/(gain)	61.36	(28.16)
e) Loss/(gain) on sales of current investments	-	(9.73)
f) Dividend income	-	(9.88)
g) Loss/(gain) on sale of fixed assets	14.65	8.32
	<u>2,965.61</u>	<u>1,190.92</u>
Operating Profit before Working Capital Changes (1 + 2)	3,732.13	1,798.62
3. Adjustments for working capital changes:		
(i) (Increase)/Decrease in operating assets		
a) Trade receivables	(15,318.88)	(5,409.53)
b) Long term loans & advances	(243.53)	137.47
c) Short term loans & advances	(872.92)	(956.18)
d) Other current assets	824.94	(2,049.67)
e) Other non current assets	84.58	254.14
(ii) (Increase)/Decrease in operating liabilities		
a) Trade payables	12,344.36	1,850.91
b) Other Long term liabilities	(1,213.42)	2,187.50
c) Long term provisions	0.67	12.79
d) Short term provisions	5.25	11.79
e) Other current liabilities	(742.72)	(1,335.25)
(iii) (Increase)/Decrease in inventories	(1,656.13)	(889.52)
Cash generated from/ (used in) operations	<u>(3,055.67)</u>	<u>(4,386.93)</u>
Less: Direct Taxes paid	219.85	100.01
Net Cash Generated from/(used in) Operating Activities (A)	<u>(3,275.52)</u>	<u>(4,486.94)</u>
(B) Cash flow from Investing Activities		
a) Purchase of fixed assets	(1,803.00)	(4,177.17)
b) Sale of fixed assets	37.07	4.68
c) Interest received	401.53	540.47
d) Sale of current investments (net)	-	9.73
e) Investment in Subsidiary	-	(25.00)
f) Dividend received	-	9.88
Net Cash Generated from/(used in) Investing Activities (B)	<u>(1,364.40)</u>	<u>(3,637.41)</u>
(C) Cash flow from Financing Activities		
a) Proceeds from long term borrowing	1,537.38	528.96
b) Proceeds from short term borrowing	4,081.68	5,513.27
c) Finance costs	(1,930.15)	(578.44)
d) Dividend & tax on dividend paid	(111.72)	-
Net Cash Generated from/(used in) Financing Activities (C)	<u>3,577.19</u>	<u>5,463.79</u>
(D) Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	<u>(1,062.73)</u>	<u>(2,660.56)</u>
(E) Cash & Cash Equivalents - Opening Balance	<u>1,808.68</u>	<u>4,469.24</u>
(F) Cash & Cash Equivalents - Closing Balance (D+E)	<u>745.95</u>	<u>1,808.68</u>

Note :	As at 31 st Mar 2014	As at 31 st Mar 2013
1 A) Components of Cash & Cash Equivalents		
Cash on Hand	3.94	3.74
Cheques in Hand	345.55	1,163.11
Balances with Banks		
In current accounts	396.46	141.63
In fixed deposit accounts maturing within three months	-	500.20
	<u>745.95</u>	<u>1,808.68</u>
B) Cash & Cash Equivalents not available for immediate use		
In margin money and fixed deposit accounts	1,187.80	1,198.17
Unclaimed dividend, Unclaimed Fraction Share & share application money in escrow account	10.48	9.64
	<u>1,198.28</u>	<u>1,207.81</u>
Cash & Cash Equivalents as per Note 18 (A+B)	<u>1,944.23</u>	<u>3,016.49</u>
2 Interest paid is exclusive of and Purchase of fixed assets are inclusive of interest capitalised.	55.07	356.54
3 The above cash flow statement has been prepared under the "Indirect Method" as set out in the AS - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.		
4 The previous year's figures have been regrouped wherever necessary.		

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants
Registration No. 117365WGaurav J. Shah
Partner
Membership No. 35701Place : Ahmedabad
Date : 2nd May, 2014

For and on behalf of the Board

Jitendra U. Mamtora
Chairman
DIN: 00139911Rahul Shah
CFOSatyen J. Mamtora
Managing Director
DIN: 00139984Chintan Trivedi
Company SecretaryPlace : Ahmedabad
Date : 2nd May, 2014



Notes on Financial Statements

For the Year ended on 31st March, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Convention

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") [which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs] and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. Except where otherwise stated, the accounting policies are consistently applied.

b) 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 recognized in the period in which the results are known/materialised.

c) Fixed Assets

- i) 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.
- ii) Certain computer software costs are capitalised and recognized 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.
- iii) At each Balance Sheet date, whether there is any indication that any asset may be impaired. If such assets are considered to be impaired the impairment loss is then recognized 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.

d) Depreciation and Amortisation Expense

- i) 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.
- ii) 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.

e) Investments

- i) Long Term investments are stated at cost and provision is made to recognize any diminution in value, other than that of temporary nature.
- ii) Current investments are carried at lower of cost and fair value. Diminution in value is charged to the profit and loss statement.

f) Inventories

- i) Raw Materials, Process Stock and Finished Goods are valued at lower of cost or net realisable value.
- ii) Cost for Raw materials is determined on Weighted Average/FIFO basis, net of cenvat credit availed.
- iii) 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.

g) Revenue Recognition

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

h) Sales, Contract Revenue and Service Income

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



Contract revenue is recognised on percentage completion method. The stage of completion is determined as a proportion to the contract cost incurred upto the reporting date to the estimated total contract costs. When it is probable that the total contract cost will exceed total contract revenue, the expected loss is recognised as an expense immediately. Total contract cost is determined based on technical and other assessment of cost to be incurred.

i) Cenvat credit

Cenvat credit is accounted for on accrual basis on purchase of eligible inputs, capital goods and services.

j) Foreign Currency Transactions

- i) 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.
- (ii) 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.
- (iii) Gain or loss arising out of translation/conversion is taken credit for or charged to the profit and loss statement

k) Prior Period Expenses/Income

Material items of prior period expenses/income are disclosed separately.

l) Employee Benefits

i) Defined Contribution Plan

The Company's contributions paid / payable for the year to Provident Fund are recognized in the profit and loss statement.

ii) 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 recognized 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.

m) 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 & loss statement.

n) Miscellaneous Expenditure

Shares issue expenses incurred are amortised over a period of five years.

o) 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 recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future, however where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

p) Leases

Lease transaction entered into on or after 1st April, 2001:

- i) 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.
- ii) 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 Statement on accrual basis.

q) 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.

r) Provisions, Contingent Liabilities and Contingent Assets

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



	(₹ in Lacs)	
	As at 31 st Mar 2014	As at 31 st Mar 2013
2. SHARE CAPITAL		
Authorised		
15,000,000 Equity Shares of ₹ 10/- each	1,500.00	1,500.00
	<u>1,500.00</u>	<u>1,500.00</u>
Issued, Subscribed and Paid Up		
13,256,411 (Previous Year 12,923,611) Equity Shares of ₹ 10/- each fully paid up	1,325.64	1,292.36
TOTAL	<u>1,325.64</u>	<u>1,292.36</u>
(i) Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period		
At the Beginning of the period	12,923,611	12,923,611
Bonus shares issued during the period	332,800	-
Outstanding at the end of the period	<u>13,256,411</u>	<u>12,923,611</u>
(ii) Details of shareholders holding more than 5% of equity shares		
Jitendra U. Mamtara	Nos. 8,858,992	8,858,992
	% Holding 66.83%	68.55%
Jitendra U. Mamtara (HUF)	Nos. 682,931	682,931
	% Holding 5.15%	5.28%
(iii) Details of Equity Shares allotted as fully paid up by way of bonus shares, shares issued for consideration other than cash (During last 5 years immediately preceding reporting date)		
Equity shares allotted as fully paid bonus shares	332,800	2,836,746
(iv) Rights of Equity Shares		
The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
3. RESERVES & SURPLUS	As at 31 st Mar 2014	As at 31 st Mar 2013
Securities Premium Reserve		
Balance as per last balance sheet	13,508.13	13,508.13
Less: Utilised during the year for issue of bonus shares	33.28	-
	<u>13,474.85</u>	<u>13,508.13</u>
General Reserve		
Balance as per last balance sheet	2,188.93	2,188.93
Surplus in Profit and Loss Statement		
Opening Balance	16,220.69	15,859.13
Add : Profit for the period	480.51	473.28
Less : Appropriations		
Proposed final equity dividend (₹ 0.75 per Equity share)	99.42	96.93
Tax on proposed equity dividend	15.22	14.79
Net surplus in profit and loss statement	<u>16,586.56</u>	<u>16,220.69</u>
TOTAL	<u>32,250.34</u>	<u>31,917.75</u>
4. LONG TERM BORROWINGS	As at 31 st Mar 2014	As at 31 st Mar 2013
Secured Loans		
Term Loans for Vehicles (Refer note 1 below)	412.09	528.96
Term Loans from Bank (Refer note 2 below)	1654.25	-
TOTAL	<u>2,066.34</u>	<u>528.96</u>

Notes :

- Secured by Hypothecation of specific fixed assets purchased under Term Loan arrangement.
- Secured by charge on fixed assets purchase out of Term Loan and charge on office building located at Gurgaon and also 2nd charge of fixed assets and current assets excluding fixed assets of Moraiya plant and in addition to above secured by personal guarantee of some of the directors.
- Repayable in equated monthly installments of ₹ 24.30 Lacs (Previous year ₹ 22.80 Lacs). And quarterly installments of ₹ 127.25 Lacs (Previous year Nil)



		(₹ in Lacs)	
		As at	As at
		31 st Mar 2014	31 st Mar 2013
5. DEFERRED TAX LIABILITIES (NET)			
Deferred Tax Liabilities			
In respect of difference between book & tax depreciation		1,264.96	1,082.58
	Total (A)	<u>1,264.96</u>	<u>1,082.58</u>
Deferred Tax Assets			
In respect of disallowance under the Income Tax Act, 1961		92.76	72.57
In respect of unabsorbed depreciation		-	51.76
In respect of tax benefit on share issue expenses set off against securities premium		-	30.24
	Total (B)	<u>92.76</u>	<u>154.57</u>
	TOTAL (A-B)	<u>1,172.20</u>	<u>928.01</u>
6. OTHER LONG TERM LIABILITIES		As at	As at
		31 st Mar 2014	31 st Mar 2013
Advance from customers		1,589.47	2,802.89
	TOTAL	<u>1,589.47</u>	<u>2,802.89</u>
7. LONG TERM PROVISIONS		As at	As at
		31 st Mar 2014	31 st Mar 2013
Provision for Employee Benefits			
Gratuity		6.94	0.65
Leave encashment		56.90	62.52
	TOTAL	<u>63.84</u>	<u>63.17</u>
8. SHORT TERM BORROWINGS		As at	As at
		31 st Mar 2014	31 st Mar 2013
Secured Loans			
Cash credit & short term loan from banks		13,586.69	9,517.50
Unsecured Loans			
Loan from Director		12.49	-
	TOTAL	<u>13,599.18</u>	<u>9,517.50</u>
Nature of Security :			
The above cash credit & short term loans from banks are 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 collateral legal mortgage on paripassu basis on immovable properties situated at Changodar, Dhank and Ahmedabad and in addition to above it is further secured by pledge of 21,10,000 equity shares held by promoter and personal guarantees of some of the directors.			
9. TRADE PAYABLES		As at	As at
		31 st Mar 2014	31 st Mar 2013
Sundry Creditors			
a) Micro & Small Enterprises		52.77	47.31
b) Others		22,071.46	9,732.50
	TOTAL	<u>22,124.23</u>	<u>9,779.81</u>
i) The principal amount and the interest due thereon remaining unpaid to any supplier			
Principal Amount		52.77	47.31
Interest		2.79	2.08
ii) The amount of the interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day			
Principal Amount		1,049.67	1,278.53
Interest		-	-



(₹ in Lacs)

iii) The amount of interest due and payable for the period of delay in making payment (Beyond the appointed day during the year)	11.56	8.77
iv) The amount of interest accrued and remaining unpaid	11.56	8.77
v) The amount of further interest remaining due and payable for the earlier years.	8.77	6.69

Note: The information has been given in respect of only those suppliers who have intimated the Company that they are registered as Micro & Small Enterprises.

10. OTHER CURRENT LIABILITIES	As at 31 st Mar 2014	As at 31 st Mar 2013
Current maturities of long-term debt (Refer notes below)	618.50	273.59
Interest accrued but not due on borrowings	8.72	9.16
Interest accrued & due on borrowings	47.13	58.76
Interest accrued & due on others	11.57	419.39
Unclaimed share application money	3.56	3.56
Unclaimed dividend	6.47	6.08
Unclaimed fraction bonus share amount	0.45	-
Advance from customers	2,256.51	3,394.91
Other liabilities	1,284.73	697.80
TOTAL	4,237.64	4,863.25

Notes :

- Secured by Hypothecation of specific fixed assets purchased under Term Loan arrangement.
- Secured by charge on fixed assets purchase out of Term Loan and charge on office building located at Gurgaon and also 2nd charge of fixed assets and current Assets excluding fixed assets of Moraiya plant and in addition to above secured by personal guarantee of some of the directors.
- Repayable in equated monthly installments of ₹ 24.30 Lacs (Previous year ₹ 22.80 Lacs). And quarterly installments of ₹ 127.25 Lacs (Previous year Nil)

11. SHORT TERM PROVISIONS	As at 31 st Mar 2014	As at 31 st Mar 2013
Provision for gratuity	32.90	26.83
Provision for leave encashment	15.90	16.72
Proposed dividend	99.42	96.93
Tax on proposed dividend	15.22	14.79
TOTAL	163.44	155.27

12. FIXED ASSETS

Assets	Gross Block				Depreciation & Amortisation				Net Block	
	As at 1 st Apr 13	Additions	Deductions/ Adjustments	As at 31 st Mar 14	As at 1 st Apr 13	Additions	Deductions/ Adjustments	As at 31 st Mar 14	As at 31 st Mar 14	As at 31 st Mar 13
Tangible Assets										
Land (Free hold)	179.00	32.05	-	211.05	-	-	-	-	211.05	179.00
Building	6,880.48	25.48	-	6,905.96	609.72	177.18	-	786.90	6,119.06	6,270.76
Plant & Equipment	6,809.87	374.95	-	7,184.82	1,612.95	378.99	-	1,991.94	5,192.88	5,196.92
Electrifications	560.10	29.48	-	589.58	140.54	30.05	-	170.59	418.99	419.56
Furniture & Fixtures	446.96	4.58	0.49	451.05	72.67	28.07	0.05	100.69	350.36	374.29
Office Equipments	549.23	33.77	0.66	582.34	88.84	26.00	0.06	114.78	467.56	460.39
Computer & Accessories	215.33	15.55	0.51	230.37	144.12	21.35	0.15	165.32	65.05	71.21
Vehicles	1,610.80	374.18	62.78	1,922.20	276.94	197.69	12.46	462.17	1,460.03	1,333.86
Total (A)	17,251.77	890.04	64.44	18,077.37	2,945.78	859.33	12.72	3,792.39	14,284.98	14,305.99
Intangible Assets										
Computer Software	345.17	49.99	-	395.16	234.81	68.51	-	303.32	91.84	110.36
Total (B)	345.17	49.99	-	395.16	234.81	68.51	-	303.32	91.84	110.36
Total (A+B)	17,596.94	940.03	64.44	18,472.53	3,180.59	927.84	12.72	4,095.71	14,376.82	14,416.35
Previous Year	12,421.17	5,192.88	17.11	17,596.94	2,487.66	698.08	5.15	3,180.59	14,416.35	9,933.51
Capital Work in Progress									2,568.28	1,705.32



	(₹ in Lacs)	
	As at 31 st Mar 2014	As at 31 st Mar 2013
13. NON CURRENT INVESTMENTS		
Trade Investments		
<i>Investment in Subsidiary Companies (Unquoted)</i>		
Face value ₹ 10 each, fully paid up :		
987,768 (987,768) Equity shares of Transpares Ltd.	137.19	137.19
250,000 (250,000) Equity shares of Transweld Mechanical Engineering Works Ltd.	32.50	32.50
250,000 (250,000) Equity shares of TARIL Infrastructure Ltd.	25.00	25.00
<i>Investment in Associate Company (Unquoted)</i>		
Face value ₹ 10 each, fully paid up :		
6,350 (6,350) Equity shares of Savas Engineering Company Pvt. Ltd. (Refer note 32)	41.50	41.50
TOTAL	<u>236.19</u>	<u>236.19</u>
(a) Aggregate amount of Quoted Investments and Market Value	-	-
(b) Aggregate amount of Unquoted Investments	236.19	236.19
(c) Aggregate provision made for diminution in value of Investments	-	-
14. LONG TERM LOANS & ADVANCES	As at 31st Mar 2014	As at 31st Mar 2013
Unsecured, Considered Good		
Advances given for capital assets	297.78	185.86
Advance Income Tax (net of provision)	563.88	678.79
Electricity & other deposits	13.73	9.09
MAT credit entitlement	256.91	123.00
TOTAL	<u>1,132.30</u>	<u>996.74</u>
15. OTHER NON CURRENT ASSETS	As at 31st Mar 2014	As at 31st Mar 2013
Trade receivable retention money	348.79	433.37
TOTAL	<u>348.79</u>	<u>433.37</u>
16. INVENTORIES	As at 31st Mar 2014	As at 31st Mar 2013
Raw materials	4,308.85	3,684.54
Raw materials goods in transit	186.19	84.80
Finished goods	769.95	444.39
Process stock	6,040.47	4,324.36
Contract Work in Progress	645.23	1,756.48
TOTAL	<u>11,950.69</u>	<u>10,294.57</u>
Inventory under Broad Heads:		
Raw materials & goods in transit		
Copper	443.87	711.18
Lamination	254.98	203.36
Transformer oil	1,000.79	428.81
Radiators	24.55	83.99
Others	2,770.85	2,342.00
	<u>4,495.04</u>	<u>3,769.34</u>
Finished Goods & Process Stock of Transformers	7,455.65	6,525.23
TOTAL	<u>11,950.69</u>	<u>10,294.57</u>



	(₹ in Lacs)	
	As at 31 st Mar 2014	As at 31 st Mar 2013
17. TRADE RECEIVABLES		
Trade Receivables outstanding for a period more than six months from the date they became due		
Unsecured, considered good (Refer note 33)	2,757.53	3,368.66
Unsecured, considered doubtful	152.89	116.95
	<u>2,910.42</u>	<u>3,485.61</u>
Less : Provision for doubtful debts	152.89	116.95
	<u>2,757.53</u>	<u>3,368.66</u>
Others		
Unsecured, considered good	35,351.94	19,483.26
TOTAL	<u>38,109.47</u>	<u>22,851.92</u>
18. CASH AND CASH EQUIVALENTS		
Balances with Banks		
In current accounts	396.46	141.63
Deposits with maturity less than three months	-	500.20
Unclaimed share application money in escrow account	3.56	3.56
Unclaimed dividend money in escrow account	6.47	6.08
Unclaimed fraction bonus share amount	0.45	-
Other Bank Balances		
Deposits with maturity more than three months	51.00	53.63
Margin money deposits	1,136.80	1,144.54
Cash on Hand	3.94	3.74
Cheques in Hand	345.55	1,163.11
TOTAL	<u>1,944.23</u>	<u>3,016.49</u>
19. SHORT TERM LOANS & ADVANCES		
Loans and Advances to Related Parties		
Unsecured, considered good		
Savas Engineering Company Pvt. Ltd. (Associate Company) (Refer note 32)	1,003.21	814.04
Loans and Advances to Others		
Unsecured, considered good		
Advances to suppliers	791.03	224.42
Prepaid expenses	277.43	100.37
Employee advances	122.68	128.87
Deposits & balances with government & other authorities	1,446.36	1,706.71
Other deposits	636.01	429.40
TOTAL	<u>4,276.72</u>	<u>3,403.81</u>
20. OTHER CURRENT ASSETS		
Export benefit receivable	196.77	226.60
Unbilled contract revenue	3,260.93	4,232.42
Interest receivable	5.22	35.19
Dividend receivable	185.91	-
TOTAL	<u>3,648.83</u>	<u>4,494.21</u>
21. REVENUE FROM OPERATIONS		
Sale of Goods (Gross)*	65,544.50	50,267.90
Contract Revenue @	11,042.36	5,060.69
Service Income #	2,040.41	196.22
Other Operating Income	1,016.35	754.81
TOTAL	<u>79,643.62</u>	<u>56,279.62</u>
* Sales of Goods is mainly of Electric Transformers		
@ Contract Revenue mainly from contracts relating to Pooling Station for Transformers		
# Service Income is mainly from Erection & Commissioning of Transformers		



(₹ in Lacs)

	Year ended on 31 st Mar 2014	Year ended on 31 st Mar 2013
22. OTHER INCOME		
Interest received from Banks	105.42	331.59
Interest received from Others	266.14	158.84
Dividend Income		
On Trade investments - from Subsidiary Companies	-	9.88
Gain on sale of current investment	-	9.73
Other non operating income	3.87	12.52
Foreign exchange gain (net)	30.93	-
TOTAL	406.36	522.56
23. COST OF MATERIALS CONSUMED		
Raw Materials Consumed	60,232.45	42,361.10
a. Raw Materials Consumed in broad heads :		
Copper	21,047.76	14,072.18
Lamination	13,255.83	9,960.66
Transformer Oil	5,923.76	4,103.71
Radiators	2,478.20	774.97
Others	17,526.90	13,449.58
TOTAL	60,232.45	42,361.10
b. Value of Indigenous and Imported Raw Materials Consumed during the year :		
Imported		
Value	4,078.23	2,298.76
Percentage	7%	5%
Indigenous		
Value	56,154.22	40,062.34
Percentage	93%	95%
24. (INCREASE)/DECREASE IN STOCK OF FINISHED GOODS AND PROCESS STOCK		
Closing Stock		
Finished Goods	769.95	444.39
Process Stock	6,685.70	6,080.84
	7,455.65	6,525.23
Less : Opening Stock		
Finished Goods	444.39	499.88
Process Stock	6,080.84	5,939.46
	6,525.23	6,439.34
TOTAL	(930.42)	(85.89)
25. EMPLOYEE BENEFITS EXPENSE		
Salaries & Wages, Bonus, Gratuity, etc.	2,182.27	1,763.53
Contribution to Provident and other funds	111.91	91.99
Employee welfare expenses	80.39	65.00
TOTAL	2,374.57	1,920.52
26. FINANCE COSTS		
Interest expenses	2,273.91	1,002.77
Other finance cost	57.64	19.95
Premium on forward contract amortised	1.77	-
TOTAL	2,333.32	1,022.72



(₹ in Lacs)

27. OTHER EXPENSES	Year ended on 31 st Mar 2014	Year ended on 31 st Mar 2013
Power & Fuel	816.12	587.18
Stores & Spares consumed (Refer note 1 below)	35.20	14.21
Labour charges	1,308.42	1,027.37
Testing & Other manufacturing cost	1,018.79	523.56
Cenvat duty provided on stock	40.09	22.03
Selling expenses	292.16	526.81
Freight & forwarding charges	789.49	300.13
Fleet operating cost	76.93	5.06
Advertisement expenses	81.70	113.14
Stationary, Printing, Postage & Telephone expenses	108.50	108.52
Repairs		
Plant and Machinery	191.09	119.81
Factory Building	16.41	7.98
Office & Other	21.72	28.26
Insurance	46.81	45.55
Rent	44.55	26.75
Rates and taxes	1.47	2.24
Bank charges	195.23	182.34
Travelling & conveyance expenses	564.24	558.86
Directors sitting fees	2.63	2.85
Legal & professional charges (Refer note 2 below)	167.11	104.35
Audit fees (Refer note 2 below)	11.00	11.00
Late delivery charges	359.66	381.15
General charges	265.74	162.80
Provision for doubtful debts	35.94	-
Exchange rate difference	-	85.88
Cenvat duty expense	22.27	10.50
Loss on sale of fixed assets	14.65	8.32
TOTAL	<u>6,527.92</u>	<u>4,966.65</u>
Notes :		
1. Value of Indigenous and Imported Stores, Tools and Spares Consumed during the year :		
Imported	Value	-
	Percentage	-
	Value	35.20
	Percentage	100%
2. Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditor - statutory audit	11.00	11.00
For taxation matters	2.00	2.00
For other services	5.30	5.25
TOTAL	<u>18.30</u>	<u>18.25</u>

28. Contingent liabilities in respect of	As at 31 st Mar 2014	As at 31 st Mar 2013
Disputed demand of Central Excise/Income Tax Department	800.49	247.22

29. Commitments	As at 31 st Mar 2014	As at 31 st Mar 2013
a) Guarantee given by bankers on behalf of Company	31,451.12	23,977.60
b) Corporate Guarantees of ₹ 2,480.00 Lacs (Previous year ₹ 2,480.00 Lacs) given by Company for loans taken by subsidiary/Associate Company		
Balance of such loans outstanding	854.35	1,107.35
c) Performance Guarantees given by Company	24.58	49.84
d) Bills Discounted with Banks	6,756.76	163.91
e) Import duty benefit towards duty free import of raw materials made in respect of which export obligations are yet to be discharged.	-	1.74
f) Claims against Company not acknowledged as debts	Amount not ascertained	Amount not ascertained



30. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for ₹ 539.27 Lacs (Previous year ₹ 860.75 Lacs).
31. Tax assessment of the Company under Income Tax Act, 1961 has been completed upto financial year 2010-11 and the VAT assessment upto financial year 2009-10.
32. The Company has an investment of ₹ 41.50 Lacs in its associate company "Savas Engineering Company Private Limited." (50%) by way of equity. The Company has also given an interest bearing loan of ₹ 1,003.21 Lacs to the said Associate Company. As per the Audited financial statements for the year ended on 31st March 2014, its net worth is ₹ 60.65 lacs. In the opinion of the management the aforesaid investment in equity and loan is long term and strategic in nature. The Company had obtained an independent valuation report for the associate company's plot, factory building and machinery by Government Approved Valuer, which value is in excess of the cost of investment and loan given and hence there is no diminution in value of investment and therefore no provision is considered necessary for the current financial year and loan amount is considered good and recoverable.
33. Trade receivables outstanding for more than 6 months include receivables of ₹ 1,254.82 Lacs, which are overdue from a customer whose gas based power plant project is in advanced stage of completion. The commissioning of the said plant is dependent on the supplies of natural gas. Though the customer is confident of obtaining the requisite gas allocation from the Government of India (GOI), there are uncertainties in respect of timing of getting the gas allocation from the GOI. The customer has confirmed the outstanding balance as on 31st March 2014, and based on the frequent discussions with the customer, the management of the Company is hopeful of recovering the outstanding amount and hence said amount is considered good and recoverable.

34. Disclosures regarding Revenue recognition under AS 7 - Construction Contracts

(₹ in Lacs)		
The amounts to be disclosed in accordance with the Accounting Standard are as follows:	Year ended on 31 st Mar 2014	Year ended on 31 st Mar 2013
Contract revenue recognised as revenue in the period	11,042.36	5,060.69
Contract costs incurred upto the reporting date	11,000.25	4961.44
Recognised profits/(less recognised losses) upto the reporting date	42.11	99.25
Advances received	1,396.24	867.81
Gross amount due from customers for contract work- presented as an asset	9,418.03	4,093.63
Gross amount due to customers for contract work- presented as a liability	-	-

35. Disclosures regarding Derivative Instruments

- (a) The Company uses forward exchange contracts to hedge its exposure in foreign currency. There are no contracts entered into for the purpose of speculation.
- (b) The information on derivative instruments as on 31st March, 2014 is as follows :

Exposure hedged by Derivative Instruments:

(Amount in Lacs)						
	No. of Contacts		Foreign Currency Amount		Reporting Currency Amount (INR)	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Forward cover for Import Payable-USD	1	-	3.82	-	228.71	-

Unhedged Exposures:

(Amount in Lacs)					
	Foreign Currency Amount		Reporting Currency Amount (INR)		
	2013-14	2012-13	2013-14	2012-13	
Accounts Receivable					
USD	0.50	4.47	30.07	242.46	
EURO	-	0.13	-	9.01	
Account Payable					
USD	12.46	6.46	746.10	350.52	
EURO	0.29	9.49	23.86	659.32	

Expenditure on account of Premium on forward exchange contracts to be recognized in Profit & Loss Statement of subsequent accounting period aggregates to ₹ 1.77 Lacs (Previous year Nil).



36. Employee Benefits

Defined Benefit Plans :

(₹ in Lacs)

	Gratuity		Leave Encashment	
	2013-14	2012-13	2013-14	2012-13
i Expenses recognised in Profit & Loss Statement for the year				
Current service cost	26.04	24.11	14.78	13.66
Interest cost	13.23	11.47	6.26	4.42
Expected return on plan assets	(11.74)	(11.17)	-	-
Prior year changes	-	9.16	-	13.80
Past service cost	-	-	-	(4.73)
Net actuarial losses/(gains)	(14.75)	(10.69)	(25.51)	0.43
Total Expenses	12.78	22.88	(4.47)	27.58
ii Reconciliation of opening and closing balances of changes in present value of the defined benefit obligation				
Opening defined benefit obligation	168.54	135.69	79.24	52.49
Service cost	26.04	24.11	14.78	13.66
Interest cost	13.23	11.47	6.26	4.42
Actuarial losses/(gains)	(17.23)	(10.41)	(25.51)	0.43
Losses/(gains) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Prior year changes	-	9.16	-	13.80
Past service cost	-	-	-	(4.73)
Benefits paid	(6.32)	(1.48)	(1.96)	(0.83)
Closing defined benefit obligation	184.26	168.54	72.81	79.24
iii Reconciliation of opening and closing balances of changes in fair value of plan assets				
Opening fair value of plan assets	141.06	106.04	-	-
Adjustment	(0.58)	12.74	-	-
Expected return on plan assets	11.74	11.17	-	-
Actuarial gains/(losses)	(2.48)	0.27	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	1.00	12.32	-	-
Benefits paid	(6.32)	(1.48)	-	-
Closing balance of fair value of plan assets	144.42	141.06	-	-
iv Net Liability recognised in the Balance Sheet				
Defined Benefit Obligation	184.26	168.54	72.81	79.24
Fair Value of plan assets	144.42	141.06	-	-
Present Value of unfunded obligation recognised as liability	39.84	27.48	72.81	79.24
v Past four years data for define benefit obligation and fair value of plan assets are as under:				
Gratuity	2012-13	2011-12	2010-11	2009-10
Defined Benefit Obligation	168.54	135.69	112.80	74.07
Fair value of plan assets	141.06	106.04	99.20	92.58
Present Value of unfunded obligation recognised as liability	27.48	29.65	13.60	(18.51)
Leave Encashment				
Defined Benefit Obligation	79.24	52.49	35.38	46.51
Fair value of plan assets	-	-	-	-
Present Value of unfunded obligation recognised as liability	79.24	52.49	35.38	46.51
vi Actual Return On Plan Assets	-	-	-	-
vii Major categories of Plan Assets as a Percentage of total plan assets are as follows:				
Policy of insurance	100%	100%	-	-
viii Actuarial Assumptions	As at 31st March, 2014			
Discount rate	9.10 %			
Expected rate of return on plan assets	8.50 %			
Expected rate of salary increase	6.50 %			
Mortality	LIC (1994-96) published table of mortality rates			
Withdrawal rates	5% at younger ages reducing to 1% at older age			
Retirement age	58 years			
Actuarial valuation method	Projected unit credit method			

Defined Contribution Plans:

₹ 97.78 Lacs (Previous year ₹ 81.30 Lacs) recognised as an expense and included in the Note 25 of Profit & Loss Statement under the head "Contribution to Provident and other funds".

**37. Details of Pre Operative Expenses**

	(₹ in Lacs)	
	As at 31 st Mar 2014	As at 31 st Mar 2013
Opening balance	153.65	53.94
Add:		
Interest and finance charges	55.07	356.54
Electricity expense	-	23.79
Salary expense	-	32.57
Total (A)	208.72	466.84
Less:		
Capitalised during the year	4.68	313.19
Total (B)	4.68	313.19
Closing balance:	204.04	153.65
Details of preoperative expenses capitalized during the year :		
Fixed asset	Year Ended on 31st Mar 2014	Year Ended on 31st Mar 2013
Building	-	229.62
Plant & Equipment	4.68	80.95
Electrifications	-	2.62
Total	4.68	313.19

38. Related Party Transactions

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

Sr.	Nature of Relationship	Name of Related Parties
1	Subsidiaries	Transweld Mechanical Engineering Works Ltd. Transpares Ltd. TARIL Infrastructure Ltd.
2	Associate Company	Savas Engineering Company Pvt. Ltd.
3	Key Management Personnel	Mr. Jitendra U. Mamtora Mr. Satyen J. Mamtora Mrs. Karuna J. Mamtora Mr. Vinod Masson
4	Relatives of Key Management Personnel	Ms. Janki Mamtora Ms. Aakanksha Mamtora Mr. Dilip Mamtora Mr. Bipin Mamtora
5	Enterprises over which key Managerial Personnel is able to exercise significant Influence	Benchmark HR Solutions (India) Pvt. Ltd. Jitendra U. Mamtora (HUF) Transpower Skytrek Tours & Travels

(b) Details of transactions with related parties:

		(₹ in Lacs)	
A	Volume of Transactions	2013-14	2012-13
1)	Service Received		
	Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	14.99	15.36
	Transpares Ltd.	0.36	1.16
	TARIL Infrastructure Ltd.	186.60	-
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	27.77	19.37
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Benchmark HR Solutions (India) Pvt. Ltd.	2.48	-
	Skytrek Tours & Travels	140.80	133.10



(₹ in Lacs)

2) Service Rendered		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	33.70	0.46
Transpares Ltd.	12.64	-
TARIL Infrastructure Ltd.	89.59	7.50
3) Rent Received		
Subsidiaries		
TARIL Infrastructure Ltd.	3.37	1.50
4) Rent Paid		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	3.60	-
Key Managerial Personnel		
Mrs. Karuna Mamtora	0.60	0.25
5) Purchase of Goods		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	1,147.86	1,141.59
Transpares Ltd.	1,740.50	1,694.47
Associate Company		
Savas Engineering Company Pvt. Ltd.	450.33	520.88
6) Sale of Goods		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	2.79	2.24
Transpares Ltd.	1.87	0.07
Associate Company		
Savas Engineering Company Pvt. Ltd.	2.95	1.33
7) Sale of Capital Goods		
Subsidiaries		
Transpares Ltd.	-	12.15
Associate Company		
Savas Engineering Company Pvt. Ltd.	-	0.26
8) Purchase of Capital Goods		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	12.28	-
Associate Company		
Savas Engineering Company Pvt. Ltd.	208.84	123.88
9) Loan Given/Repaid and Interest thereon to Associate Company		
Savas Engineering Company Pvt. Ltd.		
Loan given	657.50	304.66
Loan repaid	580.59	134.59
Interest	112.26	91.55
Balance as at 31 st March	1,003.21	814.04
Balance as at 1 st April	814.04	552.42
[Maximum outstanding during the year ₹ 1,168.21 Lacs (Previous year ₹ 905.77 Lacs)]		
Loan taken/repaid and Interest thereon to Key Managerial Personnel		
Mr. Jitendra U. Mamtora		
Loan taken	1,321.65	882.98
Loan repaid	1,362.75	893.22
Interest	41.10	10.24
Balance as at 31 st March	-	-
Balance as at 1 st April	-	-
Mr. Satyen J. Mamtora		
Loan taken	12.80	-
Loan repaid	0.52	-
Interest	0.21	-
Balance as at 31 st March	12.49	-
Balance as at 1 st April	-	-



(₹ in Lacs)

10) Managerial Remuneration		
Mr. Jitendra U. Mamtora	48.00	48.00
Mr. Satyen J. Mamtora	48.00	48.00
Mrs. Karuna J. Mamtora	22.09	22.09
Mr. Vinod Masson	24.00	23.36
11) Dividend Paid		
Key Managerial Personnel		
Mr. Jitendra U. Mamtora	66.44	-
Mr. Satyen J. Mamtora	0.73	-
Mrs. Karuna J. Mamtora	2.01	-
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Mr. Jitendra U. Mamtora (HUF)	5.12	-
Relatives of Key Managerial Personnel		
Ms. Janki Mamtora	0.16	-
Mr. Bipin Mamtora	-	-
Mr. Dilip Mamtora	-	-
12) Dividend Received from Subsidiaries		
Transpares Ltd.	-	9.88
13) Investments in Wholly owned Subsidiary		
TARIL Infrastructure Ltd. (250,000 Equity Share of ₹ 10 Each)	-	25.00
B Balance at the end of the Period	As at	As at
	31st Mar 14	31st Mar 13
1) Due To		
Subsidiaries		
Transweld Mechanical Engineering Works Ltd.	55.42	29.84
Transpares Ltd.	788.41	848.90
Associate Company		
Savas Engineering Company Pvt. Ltd.	97.62	3.94
Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
Skytrek Tours & Travels	0.47	8.73
Key Managerial Personnel		
Mrs. Karuna J. Mamtora	-	0.15
2) Due from		
Subsidiaries		
TARIL Infrastructure Ltd.	115.54	37.48
C Corporate Guarantee given to Bankers for loan taken by Subsidiary/Associate Company	As at	As at
	31st Mar 14	31st Mar 13
Subsidiaries		
Transpares Ltd.	1,490.00	1,490.00
Associate Company		
Savas Engineering Company Pvt. Ltd.	990.00	990.00

39. Payment to Political Party

(₹ in Lacs)

	Year ended on 31 st Mar 2014	Year ended on 31 st Mar 2013
Bhartiya Janta Party	100.00	0.51

40. Leases**Operating Lease**

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

(₹ in Lacs)

	Year ended on 31 st Mar 2014	Year ended on 31 st Mar 2013
Office premises	23.69	9.23
Godown	3.68	3.44

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.



41. Earning Per Share

		Year ended on 31 st Mar 2014	Year ended on 31 st Mar 2013
Net Profit for the period (₹ in Lacs)	(a)	480.51	473.68
Weighted Average number of equity shares*	(b)	13,256,411	13,256,411
EPS (Basic & Diluted) (₹)	(a) / (b)	3.62	3.57
Nominal value of Equity Shares (₹)		10.00	10.00

* Previous year No. of shares adjusted for bonus shares issued during the year.

42. C.I.F. Value of Imports

(₹ in Lacs)

	Year ended on 31 st Mar 2014	Year ended on 31 st Mar 2013
1) Raw Materials	4,078.23	2,298.76
2) Capital Goods	105.88	357.88

43. Expenditure in Foreign Currency

(₹ in Lacs)

	Year ended on 31 st Mar 2014	Year ended on 31 st Mar 2013
1) Traveling	20.87	7.61
2) Commission	25.86	25.72
3) Erection & Commission	11.23	193.28
4) Consultancy charges	305.24	23.07
5) Exhibition expenses	8.10	25.11
6) Other expenses	3.69	28.45
7) Clearing & Forwarding charges	-	7.43

44. Earnings in Foreign Currency

(₹ in Lacs)

	Year ended on 31 st Mar 2014	Year ended on 31 st Mar 2013
FOB Value of Export	2,909.41	2,111.43

45. Dividend Remitted to Non-resident Shareholders

	Year ended on 31 st Mar 2014	Year ended on 31 st Mar 2013
Number of Non-resident Shareholders	204	217
Number of shares held by Non-resident Shareholders	50,489	46,633
Amount remitted during the year (₹ In Lacs)	0.38	-
Year to which dividend relates	FY 2012-13	FY 2011-12

46. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants
Registration No. 117365W

Gaurav J. Shah
Partner
Membership No. 35701

Place : Ahmedabad
Date : 2nd May, 2014

For and on behalf of the Board

Jitendra U. Mamtora
Chairman
DIN: 00139911

Rahul Shah
CFO

Satyen J. Mamtora
Managing Director
DIN: 00139984

Chintan Trivedi
Company Secretary

Place : Ahmedabad
Date : 2nd May, 2014

**FINANCIAL DETAILS OF SUBSIDIARY COMPANIES**

Details of Subsidiary Companies pursuant to the Central Government
General Circular no. 2/2011 dated 8th February, 2011 under Section 212(8) of the Companies Act, 1956

(₹ in Lacs)

Particulars	Transweld Mechanical Engineering Works Ltd.	Transpares Ltd.	TARIL Infrastructure Ltd.
Share Capital	25.00	193.68	25.00
Reserves	430.52	736.74	42.38
Total Assets	981.54	1,868.56	353.57
Total Liabilities	981.54	1,868.56	353.57
Investments	-	11.25	-
Turnover	1,114.15	1,640.90	1,266.40
Profit before Taxation	15.50	76.86	61.08
Provision for Taxation	6.91	18.06	19.01
Profit after Taxation	8.59	58.80	42.07
Proposed Dividend	-	19.37	-

For and on Behalf of the Board

Place : Ahmedabad
Date : 2nd May, 2014

Jitendra U. Mamtora
Chairman

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

Sr. No.	Name of the Subsidiary Companies	Transweld Mechanical Engineering Works Ltd.	Transpares Ltd.	TARIL Infrastructure Ltd.
1.	Financial Year/ period of the Subsidiary Company ended on	31 st March, 2014	31 st March, 2014	31 st March, 2014
2.	Share of the Subsidiary held on the above date a) Number of Equity Shares b) Face Value c) Extent of Holding	250,000 ₹ 10/- 100%	1,936,800 ₹ 10/- 51%	250,000 ₹ 10/- 100%
3.	Net aggregate amount of profit/loss of the subsidiary for the above financial year/ period so far as they concern the members of the Company a) dealt with in the accounts of the Company for the year/ period ended 31 st March, 2014 b) not dealt with in the accounts of the Company for the year/ period ended 31 st March, 2014	- 8.59	9.88 20.11	- 42.07
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 year/ period ended 31 st March, 2013 b) not dealt with in the accounts of the Company for the year/ period ended 31 st March, 2013	- 18.20	9.88 41.63	- 0.31
5.	Material changes between the end of the subsidiary's financial year and 31 st March, 2014 a) Fixed Assets b) Investment made c) Money lent by the Subsidiary d) Money borrowed by the Subsidiary e) Company other than for meeting f) Current liabilities g) Investment disposal h) Share capital	N.A.	N.A.	N.A.

For and on Behalf of the Board

Place : Ahmedabad
Date : 2nd May, 2014

Jitendra U. Mamtora
Chairman

Satyen J. Mamtora
Managing Director

Chintan Trivedi
Company Secretary



INDEPENDENT AUDITOR'S REPORT

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of TRANSFORMERS & RECTIFIERS (INDIA) LIMITED (the "Company"), and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

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

Opinion

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

- in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
- in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

We draw attention to note 32 to the financial statements regarding certain overdue receivables considered good and recoverable by the Management of the Company for the reasons mentioned in the said note.

Our opinion is not qualified in respect of this matter.

Other Matter

We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (net) of ₹ 1,098.01 lacs as at 31st March, 2014, total revenues of ₹ 1,176.44 lacs and net cash flows amounting to ₹ 10.30 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 65.76 lacs for the year ended 31st March, 2014, as considered in the consolidated financial statements, in respect of associate company, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors.

Our report is not qualified in respect of this matter.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117365W)

Gaurav J. Shah
Partner

Membership No. 35701

Place : Ahmedabad
Date : 2nd May, 2014



Consolidated Balance Sheet

As at 31st March, 2014

(₹ in Lacs)

	Note	As at 31 st Mar 2014	As at 31 st Mar 2013
I. EQUITIES AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	1,325.64	1,292.36
(b) Reserves and Surplus	3	<u>33,021.12</u>	<u>32,672.91</u>
		34,346.76	33,965.27
(2) Minority Interest			
		455.91	438.20
(3) Non Current Liabilities			
(a) Long Term Borrowings	4	2,122.76	528.96
(b) Deferred Tax Liabilities	5	1,267.14	1,017.18
(c) Other Long Term Liabilities	6	1,589.47	2,802.89
(d) Long Term Provisions	7	<u>67.88</u>	<u>67.11</u>
		5,047.25	4,416.14
(4) Current Liabilities			
(a) Short Term Borrowings	8	14,213.98	9,896.86
(b) Trade Payables	9	21,961.52	9,624.58
(c) Other Current Liabilities	10	4,383.82	4,940.59
(d) Short Term Provisions	11	<u>200.76</u>	<u>164.78</u>
		40,760.08	24,626.81
TOTAL		<u>80,610.00</u>	<u>63,446.42</u>
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		15,382.41	15,265.40
(ii) Intangible Assets		92.37	110.36
(iii) Capital Work in Progress		<u>2,589.72</u>	<u>1,716.54</u>
		18,064.50	17,092.30
(b) Non Current Investments	13	30.54	96.30
(c) Long Term Loans & Advances	14	1,270.19	1,113.45
(d) Other Non Current Assets	15	<u>359.45</u>	<u>433.37</u>
		19,724.68	18,735.42
(2) Current Assets			
(a) Inventories	16	12,688.41	10,774.93
(b) Trade Receivables	17	38,199.35	22,990.11
(c) Cash & Cash Equivalents	18	2,034.17	3,067.08
(d) Short Term Loans & Advances	19	4,311.22	3,382.88
(e) Other Current Assets	20	<u>3,652.17</u>	<u>4,496.00</u>
		60,885.32	44,711.00
TOTAL		<u>80,610.00</u>	<u>63,446.42</u>
Significant Accounting Policies	1		

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants
Registration No. 117365W

Gaurav J. Shah
Partner
Membership No. 35701

Place : Ahmedabad
Date : 2nd May, 2014

For and on behalf of the Board

Jitendra U. Mamtora
Chairman
DIN: 00139911

Rahul Shah
CFO

Satyen J. Mamtora
Managing Director
DIN: 00139984

Chintan Trivedi
Company Secretary

Place : Ahmedabad
Date : 2nd May, 2014



Consolidated Profit and Loss Statement

For the Year ended on 31st March, 2014

(₹ in Lacs)

	Note	Year Ended on 31 st Mar 2014	Year Ended on 31 st Mar 2013
CONTINUING OPERATIONS			
I. Revenue from Operations (Gross)	21	80,994.29	56,868.91
Less : Cenvat Duty recovered on Sales & Service Income		7,833.97	5,633.39
Revenue from Operations		73,160.32	51,235.52
II. Other Income	22	413.28	509.19
III. Total Revenue (I + II)		73,573.60	51,744.71
IV. Expenses			
(a) Cost of Raw Materials Consumed		60,188.65	41,762.24
(b) (Increase)/Decrease in Stock of Finished Goods and Process Stock	23	(1,054.07)	(218.22)
(c) Employee Benefits Expenses	24	2,508.91	2,034.20
(d) Finance Costs	25	2,420.69	1,086.59
(e) Depreciation & Amortization Expense		1,000.14	756.68
(f) Other Expenses	26	7,577.05	5,537.36
Total Expenses		72,641.37	50,958.85
V. Profit Before Tax (III-IV)		932.23	785.86
VI. Tax Expenses			
(a) Current Tax		198.28	160.74
(b) MAT Credit Entitlement		(133.91)	(126.78)
(c) Deferred Tax		249.97	219.12
(d) Short/(Excess) Provision for taxation of earlier years		15.63	(56.89)
VII. Profit for the Year Before Minority Interest (V-VI)		602.26	589.67
Less: - Minority Interest		17.71	38.46
Add: - Share in Profit/(Loss) of Associate		(65.76)	(60.73)
VIII. Profit After Minority Interest		518.79	490.48
IX. Earnings Per Equity Share			
Basic & Diluted (₹)	40	3.91	3.70
Face Value per Share (₹)		10.00	10.00

Significant Accounting Policies

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants
Registration No. 117365W

Gaurav J. Shah
Partner
Membership No. 35701

Place : Ahmedabad
Date : 2nd May, 2014

For and on behalf of the Board

Jitendra U. Mamtora
Chairman
DIN: 00139911

Rahul Shah
CFO

Satyen J. Mamtora
Managing Director
DIN: 00139984

Chintan Trivedi
Company Secretary

Place : Ahmedabad
Date : 2nd May, 2014

**Consolidated Cash Flow Statement****For the Year ended on 31st March, 2014**

(₹ in Lacs)

	Year Ended on 31 st Mar 2014	Year Ended on 31 st Mar 2013
(A) Cash Flow from Operating Activities		
1. Profit before Tax	932.23	785.86
2. Adjustments for:		
a) Depreciation & amortisation expense	1,000.14	756.68
b) Finance costs	2,420.69	1,086.59
c) Interest income	(377.91)	(495.77)
d) Unrealised foreign exchange loss/(gain)	61.36	(28.16)
e) Gain on sales of current investments	-	(9.73)
f) Dividend income	(1.96)	(0.15)
g) Loss on sale of fixed assets	14.65	10.18
Operating Profit before Working Capital Changes (1 + 2)	<u>3,116.97</u>	<u>1,319.64</u>
3. Adjustments for working capital changes:	<u>4,049.20</u>	<u>2,105.50</u>
(i) (Increase)/Decrease in operating assets		
a) Trade receivables	(14,399.43)	(5,444.05)
b) Long term loans & advances	(246.89)	137.48
c) Short term loans & advances	(895.50)	(923.28)
d) Other current assets	805.61	(2,052.69)
e) Other non current assets	74.21	250.10
(ii) (Increase)/Decrease in operating liabilities		
a) Trade payables	11,458.53	2,019.65
b) Other long term liabilities	(1,213.42)	2,187.50
c) Long term provisions	0.67	12.79
d) Short term provisions	0.10	40.32
e) Other current liabilities	(690.37)	(1,317.42)
(iii) (Increase)/Decrease in inventories	<u>(1,913.46)</u>	<u>(1,154.75)</u>
Cash generated from/(used in) operations	<u>(2,970.75)</u>	<u>(4,138.85)</u>
Less: Direct Taxes paid	263.67	133.61
Net Cash Generated from/(used in) Operating Activities (A)	<u>(3,234.42)</u>	<u>(4,272.46)</u>
(B) Cash flow from Investing Activities		
a) Purchase of fixed assets	(2,028.33)	(4,308.17)
b) Sale of fixed assets	41.33	9.69
c) Interest received	407.88	545.81
d) Sale of current investments (Net)	-	9.73
e) Investment in Fixed Deposits in Bank	-	-
f) Dividend received	1.96	0.15
Net Cash Generated from/(used in) Investing Activities (B)	<u>(1,577.16)</u>	<u>(3,742.79)</u>
(C) Cash flow from Financing Activities		
a) Proceeds from long term borrowing	1,829.77	529.99
b) Proceeds from short term borrowing	4,081.68	5,513.27
c) Finance costs	(2,017.53)	(642.57)
d) Dividend & tax on dividend paid	(134.38)	(41.68)
Net Cash Generated from/(used in) Financing Activities (C)	<u>3,759.54</u>	<u>5,359.01</u>
(D) Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	<u>(1,052.04)</u>	<u>(2,656.24)</u>
(E) Cash & Cash Equivalents - Opening Balance	<u>1,822.12</u>	<u>4,478.36</u>
(F) Cash & Cash Equivalents - Closing Balance (D+E)	<u>770.08</u>	<u>1,822.12</u>

(₹ in Lacs)

Note :	As at 31 st Mar 2014	As at 31 st Mar 2013
1 A) Components of Cash & Cash Equivalents		
Cash on Hand	5.12	4.11
Cheques In Hand	345.55	1,163.11
Balances with Banks		
In current accounts	419.41	147.71
In fixed deposit accounts maturing within three months	-	507.19
	<u>770.08</u>	<u>1,822.12</u>
B) Cash & Cash Equivalents not available for immediate use		
In margin money and fixed deposit accounts	1,253.61	1,235.32
Unclaimed dividend, Unclaimed fraction share & share application money in escrow account	10.48	9.64
	<u>1,264.09</u>	<u>1,244.96</u>
Cash & Cash Equivalents as per Note 18 (A+B)	<u>2,034.17</u>	<u>3,067.08</u>
2 Interest paid is exclusive of and Purchase of fixed assets are inclusive of interest capitalised.	55.07	356.54
3 The above cash flow statement has been prepared under the "Indirect Method" as set out in the AS - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.		
4 The previous year's figures have been regrouped wherever necessary.		

As per our attached report of even date

For Deloitte Haskins & Sells

Chartered Accountants

Registration No. 117365W

Gaurav J. Shah

Partner

Membership No. 35701

Place : Ahmedabad

Date : 2nd May, 2014

For and on behalf of the Board

Jitendra U. Mamtora

Chairman

DIN: 00139911

Rahul Shah

CFO

Satyen J. Mamtora

Managing Director

DIN: 00139984

Chintan Trivedi

Company Secretary

Place : Ahmedabad

Date : 2nd May, 2014



Notes on Consolidated Financial Statements

For the Year ended on 31st March, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

a) 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 [which continue to be applicable in respect of Section 133 of the Companies Act, 2013 (“the 2013 Act”) in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs] and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. Except where otherwise stated, the accounting policies are consistently applied.

b) Principles of Consolidation

- i) 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 unrealised 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.
- ii) 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 recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

c) 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 recognized in the period in which the results are known/ materialized.

d) Fixed Assets

- i) 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.
- ii) Certain computer software costs are capitalised and recognized 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.
- iii) At each Balance Sheet date, whether there is any indication that any asset may be impaired. If such assets are considered to be impaired the impairment loss is then recognized 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.

e) Depreciation and Amortisation Expense

- i) 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.
- ii) 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.

f) Investments

- i) Long Term investments are stated at cost and provision is made to recognize any diminution in value, other than that of temporary nature.
- ii) Current investments are carried at lower of cost and fair value. Diminution in value is charged to the profit and loss statement.

g) Inventories

- i) Raw materials, Process stock and Finished Goods are valued at lower of cost or net realisable value.
- ii) Cost for Raw materials is determined on Weighted Average/FIFO basis, net of cenvat credit availed.
- iii) 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.

h) Revenue Recognition

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



- i) **Sales, Contract Revenue and Service Income**
Sales are accounted on dispatch of goods. Export sales are accounted on the basis of date of Bill of lading. Sales value is inclusive of Cenvat Duty but does not include other recoveries such as insurance charges, transport charges etc. Service income excludes service tax.
Contract revenue is recognised on percentage completion method. The stage of completion is determined as a proportion to the contract cost incurred upto the reporting date to the estimated total contract costs. When it is probable that the total contract cost will exceed total contract revenue, the expected loss is recognised as an expense immediately. Total contract cost is determined based on technical and other assessment of cost to be incurred.
- j) **Cenvat Credit**
Cenvat credit is accounted for on accrual basis on purchase of eligible inputs, capital goods and services.
- k) **Foreign Currency Transactions**
i) 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.
ii) 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.
ii) Gain or loss arising out of translation/conversion is taken credit for or charged to the profit and loss statement.
- l) **Prior Period Expenses/Income**
Material items of prior period expenses/income are disclosed separately.
- m) **Employee Benefits**
i) **Defined Contribution Plan**
The Company's contributions paid/payable for the year to Provident Fund are recognised in the profit and loss statement.
ii) **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 recognized 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.
- n) **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 statement.
- o) **Miscellaneous Expenditure**
Shares issue expenses incurred are amortised over a period of five years.
- p) **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 recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future, however where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.
- q) **Leases**
Lease transaction entered into on or after 1st April 2001:
i) 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.
ii) 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 statement on accrual basis.
- r) **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.
- s) **Provisions, Contingent Liabilities and Contingent Assets**
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



	(₹ in Lacs)	
	As at 31 st Mar 2014	As at 31 st Mar 2013
2. SHARE CAPITAL		
Authorised		
15,000,000 Equity Shares of ₹ 10/- each	1,500.00	1,500.00
	<u>1,500.00</u>	<u>1,500.00</u>
Issued, Subscribed and Paid Up		
13,256,411 (Previous year 12,923,411) Equity Shares of ₹ 10/- each fully paid up	1,325.64	1,292.36
TOTAL	<u>1,325.64</u>	<u>1,292.36</u>
(i) Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period		
At the beginning of the period	12,923,611	12,923,611
Bonus shares issued during the period	332,800	-
Outstanding at the end of period	<u>13,256,411</u>	<u>12,923,611</u>
(ii) Details of Shareholders holding more than 5% of Equity Shares		
Jitendra U. Mamtora	Nos. 8,858,992	8,858,992
	% Holding 66.83%	68.55%
Jitendra U. Mamtora (HUF)	Nos. 682,931	682,931
	% Holding 5.15%	5.28%
(iii) Details of Equity Shares allotted as fully paid up by way of bonus shares, shares issued for consideration other than cash (During last 5 years immediately preceding reporting date)		
Equity shares allotted as fully paid bonus shares	332,800	2,836,746
(iv) Rights of Equity Shares		
The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining asset of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
3. RESERVES & SURPLUS	As at 31st Mar 2014	As at 31st Mar 2013
Securities Premium Reserve		
Balance as per last balance sheet	13,508.13	13,508.13
Less : Utilized during the year for issue of bonus shares	33.28	-
	<u>13,474.85</u>	<u>13,508.13</u>
Capital Reserve on Consolidation		
Balance as per last balance sheet	46.29	46.29
General Reserve		
Opening Balance	2,286.87	2,274.12
Add : Amount transferred from profit and loss statement	-	12.75
	<u>2,286.87</u>	<u>2,286.87</u>
Surplus in Profit and Loss Statement		
Opening Balance	16,831.62	16,478.25
Add : Profit for the Year	518.79	490.48
Less : Appropriations		
Proposed final equity dividend	118.79	106.42
Tax on proposed equity dividend	18.51	17.94
Transfer to general reserve	-	12.75
Net surplus in profit and loss statement	<u>17,213.11</u>	<u>16,831.62</u>
TOTAL	<u>33,021.12</u>	<u>32,672.91</u>



		(₹ in Lacs)	
		As at 31 st Mar 2014	As at 31 st Mar 2013
4. LONG TERM BORROWINGS			
Secured Loans			
Term Loan for Vehicles (Refer note 1)		412.09	528.96
Term Loans from Bank (Refer note 2)		1,710.67	-
	TOTAL	<u>2,122.76</u>	<u>528.96</u>
Notes :			
1. Secured by Hypothecation of specific fixed assets purchased under Term Loan arrangement.			
2. Secured by charge on fixed assets purchase out of Term Loan and charge on office building located at Gurgaon and also 2 nd charge of fixed assets and current assets excluding fixed assets of Moraiya plant and in addition to above secured by personal guarantee of some of the directors.			
3. Repayable in equated monthly installments of ₹ 24.30 Lacs (Previous year ₹ 22.80 Lacs). And quarterly installments of ₹ 130.75 Lacs (Previous year Nil)			
5. DEFERRED TAX LIABILITIES (NET)		As at 31 st Mar 2014	As at 31 st Mar 2013
Deferred Tax Liabilities			
In respect of difference between book & tax depreciation		1,380.48	1,190.46
	Total (A)	<u>1,380.48</u>	<u>1,190.46</u>
Deferred Tax Assets			
In respect of disallowance under the Income Tax Act, 1961		113.34	91.28
In respect of unabsorbed Depreciation		-	51.76
In respect of Tax benefit on share issue expenses set off against Securities premium		-	30.24
	Total (B)	<u>113.34</u>	<u>173.28</u>
	TOTAL (A-B)	<u>1,267.14</u>	<u>1,017.18</u>
6. OTHER LONG TERM LIABILITIES		As at 31 st Mar 2014	As at 31 st Mar 2013
Advance from customers		1,589.47	2,802.89
	TOTAL	<u>1,589.47</u>	<u>2,802.89</u>
7. LONG TERM PROVISIONS		As at 31 st Mar 2014	As at 31 st Mar 2013
Provision for Employee Benefits			
Gratuity		8.34	1.65
Leave encashment		59.54	65.46
	TOTAL	<u>67.88</u>	<u>67.11</u>
8. SHORT TERM BORROWINGS		As at 31 st Mar 2014	As at 31 st Mar 2013
Secured Loans			
Cash credit & short term loan from banks		14,201.49	9,896.86
Unsecured Loans			
Loan from Director		12.49	-
	TOTAL	<u>14,213.98</u>	<u>9,896.86</u>
Nature of Security :			
The above cash credit & short term loans from banks are 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, Dhank and Ahmedabad and in addition to above secured by pledge of 21,10,000 equity shares of promoter and personal guarantees of some of the directors.			



	(₹ in Lacs)	
	As at 31 st Mar 2014	As at 31 st Mar 2013
9. TRADE PAYABLES		
Sundry Creditors		
a) Micro & Small Enterprises	52.77	47.31
b) Others	21,908.75	9,577.27
TOTAL	<u>21,961.52</u>	<u>9,624.58</u>
i) The principal amount and the interest due thereon remaining unpaid to any supplier		
Principal Amount	52.77	47.31
Interest	2.79	2.08
ii) The amount of the interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day		
Principal Amount	1,049.67	1,278.53
Interest	-	-
iii) The amount of interest due and payable for the period of delay in making payment (Beyond the appointed day during the year)	11.56	8.77
iv) The amount of interest accrued and remaining unpaid	11.56	8.77
v) The amount of further interest remaining due and payable for the earlier years.	8.77	6.69
Note: The information has been given in respect of only those suppliers who have intimated the Company that they are registered as Micro and Small Enterprises.		

	As at 31 st Mar 2014	As at 31 st Mar 2013
10. OTHER CURRENT LIABILITIES		
Current maturities of long-term debt (Refer notes below)	618.50	289.19
Interest accrued but not due on borrowings	8.72	12.25
Interest accrued & due on borrowings	47.13	58.92
Interest accrued & due on others	11.57	419.39
Unclaimed share application money	3.56	3.56
Unclaimed dividend	6.47	6.08
Unclaimed Fraction share	0.45	-
Advance from customers	2,289.39	3,395.91
Other liabilities	1,398.03	755.29
TOTAL	<u>4,383.82</u>	<u>4,940.59</u>

Notes :

- Secured by Hypothecation of specific fixed assets purchased under Term Loan arrangement.
- Secured by charge on Fixed Assets purchase out of Term Loan and charge on office building located at Gurgaon and also 2nd charge of fixed assets and Current Assets excluding fixed assets of Moraiya Plant and in addition to above secured by personal guarantee of some of the directors.
- Repayable in equated monthly installments of ₹ 24.30 Lacs (Previous year ₹ 22.80 Lacs). and quarterly installments of ₹ 130.75 Lacs (Previous year Nil)

	As at 31 st Mar 2014	As at 31 st Mar 2013
11. SHORT TERM PROVISIONS		
Provision for gratuity	34.31	28.14
Provision for leave encashment	16.04	16.87
Proposed dividend	118.79	96.93
Provision for taxation (net of advance tax)	13.11	4.90
Tax on proposed dividend	18.51	17.94
TOTAL	<u>200.76</u>	<u>164.78</u>

**12. FIXED ASSETS**

Assets	Gross Block				Depreciation & Amortisation				Net Block	
	As at 1 st Apr 13	Additions	Deductions/ Adjustments	As at 31 st Mar 14	As at 1 st Apr 13	Additions	Deductions/ Adjustments	As at 31 st Mar 14	As at 31 st Mar 14	As at 31 st Mar 13
Tangible Assets										
Land (Free hold)	188.40	32.05	-	220.45	-	-	-	-	220.45	188.40
Building	7,346.74	54.30	4.31	7,396.73	679.61	192.43	0.05	871.99	6,524.74	6,667.13
Plant & Equipment	7,400.59	538.36	-	7,938.95	1,754.53	423.70	-	2,178.23	5,760.72	5,646.06
Electrifications	661.18	46.07	-	707.25	172.14	37.41	-	209.55	497.70	489.04
Furniture & Fixtures	467.24	6.43	0.49	473.18	80.89	29.35	0.05	110.19	362.99	386.35
Office Equipments	554.04	36.56	0.66	589.94	90.23	26.27	0.06	116.44	473.50	463.81
Computer & Accessories	222.69	16.60	0.51	238.78	150.27	21.87	0.15	171.99	66.79	72.42
Vehicles	1,640.74	374.18	62.78	1,952.14	288.55	200.53	12.46	476.62	1,475.52	1,352.19
Total (A)	18,481.62	1,104.55	68.75	19,517.42	3,216.22	931.56	12.77	4,135.01	15,382.41	15,265.40
Intangible Assets										
Computer Software	345.17	50.59	-	395.76	234.81	68.58	-	303.39	92.37	110.36
Total (B)	345.17	50.59	-	395.76	234.81	68.58	-	303.39	92.37	110.36
Total (A+B)	18,826.79	1,155.14	68.75	19,913.18	3,451.03	1,000.14	12.77	4,438.40	15,474.78	15,375.76
Previous Year	13,303.36	5,549.08	25.65	18,826.79	2,701.16	756.68	6.81	3,451.03	15,375.76	10,602.20
Capital Work In Progress									2,589.72	1,716.54

13. NON CURRENT INVESTMENTS

As at
31st Mar 2014 As at
31st Mar 2013

Trade Investments*Investment in Associate Company (Unquoted)*

Face value ₹ 10 each, fully paid up :

6,350 (6,350) Equity shares of Savas Engineering Company Pvt. Ltd.	51.33	51.33
Less : Capital Reserve	(9.83)	(9.83)
Add : share in accumulated Profit of Associate	(22.21)	43.55
Net Value of Investment	19.29	85.05

Non Trade Investments*Investment in Equity instruments (Unquoted)*

Face value ₹ 100 each, fully paid up :

1,250 (1,250) Equity shares of The Bhagyodaya Co-operative Bank Ltd.	1.25	1.25
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Investment in Mutual Funds (Quoted)

Face value ₹ 10 each, fully paid up :

100,000 units of SBI Blue Chip Fund	10.00	10.00
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TOTAL **30.54** **96.30**

(a) Aggregate market value of Quoted investments	13.11	12.66
(b) Aggregate amount of Unquoted Investments	20.54	86.30
(c) Aggregate provision made for diminution in value of Investments	-	-

14. LONG TERM LOANS & ADVANCES

As at
31st Mar 2014 As at
31st Mar 2013

Unsecured, Considered Good

Advances given for capital assets	398.84	277.61
Advance Income Tax (net of provision)	571.70	686.31
Electricity & other deposits	42.23	22.75
MAT credit entitlement	257.42	126.78
TOTAL	1,270.19	1,113.45

15. OTHER NON CURRENT ASSETS

As at
31st Mar 2014 As at
31st Mar 2013

Trade receivable retention money	348.79	433.37
Others	10.66	-
TOTAL	359.45	433.37



	(₹ in Lacs)	
	As at 31 st Mar 2014	As at 31 st Mar 2013
16. INVENTORIES		
Raw materials	4,720.18	3,962.16
Raw materials goods in transit	186.19	84.80
Finished goods	798.09	458.98
Process stock	6,338.72	4,512.51
Contract Work in Progress	645.23	1,756.48
TOTAL	<u>12,688.41</u>	<u>10,774.93</u>

	As at 31 st Mar 2014	As at 31 st Mar 2013
17. TRADE RECEIVABLES		
Trade Receivables outstanding for a period more than six months from the date they became due		
Unsecured, considered good (Refer note 32)	2,771.49	3,377.99
Unsecured, considered doubtful	214.13	169.22
	<u>2,985.62</u>	<u>3,547.21</u>
Less : Provision for doubtful debts	214.13	169.22
	<u>2,771.49</u>	<u>3,377.99</u>
Others		
Unsecured, considered good	35,427.86	19,612.12
TOTAL	<u>38,199.35</u>	<u>22,990.11</u>

	As at 31 st Mar 2014	As at 31 st Mar 2013
18. CASH AND CASH EQUIVALENTS		
Balances with Banks		
In Current accounts	419.41	147.71
Deposits with maturity less than three months	-	507.19
Unclaimed share application money in escrow account	3.56	3.56
Unclaimed dividend money in escrow account	6.47	6.08
Unpaid fraction bonus share amount	0.45	-
Other Bank Balances		
Deposits with maturity more than three months	91.01	90.78
Margin money deposits	1,162.60	1,144.54
Cash on Hand	5.12	4.11
Cheques in Hand	345.55	1,163.11
TOTAL	<u>2,034.17</u>	<u>3,067.08</u>

	As at 31 st Mar 2014	As at 31 st Mar 2013
19. SHORT TERM LOANS & ADVANCES		
Loans and Advances to Related Parties		
Unsecured, considered good		
Savas Engineering Company Pvt. Ltd. (Associate Company) (Refer note 31)	1,003.21	814.04
Loans and Advances to Others		
Unsecured, considered good		
Advances to suppliers	798.50	188.60
Prepaid expenses	279.05	101.56
Employee advances	126.09	130.60
Deposits and balances with government and other authorities	1,468.36	1,718.68
Other deposits	636.01	429.40
TOTAL	<u>4,311.22</u>	<u>3,382.88</u>



	(₹ in Lacs)	
	As at 31 st Mar 2014	As at 31 st Mar 2013
20. OTHER CURRENT ASSETS		
Export benefit receivable	196.77	226.60
Unbilled contract revenue	3,260.93	4,232.42
Interest receivable	6.14	36.14
Insurance claim receivable	185.91	-
Dividend receivable	1.80	-
Misc. expenditure - Preliminary expenses	0.62	0.84
TOTAL	<u>3,652.17</u>	<u>4,496.00</u>
21. REVENUE FROM OPERATIONS	Year Ended on 31st Mar 2014	Year Ended on 31st Mar 2013
Sale of Goods (Gross)	66,816.19	50,802.10
Contract Revenue	11,042.36	5,060.69
Service Income	2,019.39	197.96
Other Operating Income	1,116.35	808.16
TOTAL	<u>80,994.29</u>	<u>56,868.91</u>
22. OTHER INCOME	Year Ended on 31st Mar 2014	Year Ended on 31st Mar 2013
Interest received from Banks	110.15	335.19
Interest received from Others	267.76	160.58
Dividend income		
On Non trade investments - Investment in Mutual Funds	1.96	0.15
Gain on sale of current investment	-	9.73
Other non operating income	2.48	3.54
Foreign exchange gain (net)	30.93	-
TOTAL	<u>413.28</u>	<u>509.19</u>
23. (INCREASE)/DECREASE IN STOCK OF FINISHED GOODS AND PROCESS STOCK	Year Ended on 31st Mar 2014	Year Ended on 31st Mar 2013
Closing Stock		
Finished Goods	798.09	458.98
Process Stock	6,983.95	6,268.99
	<u>7,782.04</u>	<u>6,727.97</u>
Less : Opening Stock		
Finished Goods	458.98	521.47
Process Stock	6,268.99	5,988.28
	<u>6,727.97</u>	<u>6,509.75</u>
TOTAL	<u>(1,054.07)</u>	<u>(218.22)</u>
24. EMPLOYEE BENEFITS EXPENSE	Year Ended on 31st Mar 2014	Year Ended on 31st Mar 2013
Salaries & Wages, Bonus, Gratuity, etc.	2,309.24	1,872.49
Contribution to Provident and other funds	117.03	96.71
Employee welfare expenses	82.64	65.00
TOTAL	<u>2,508.91</u>	<u>2,034.20</u>
25. FINANCE COSTS	Year Ended on 31st Mar 2014	Year Ended on 31st Mar 2013
Interest expenses	2,339.04	1,052.31
Other finance cost	79.88	34.28
Premium on forward contract amortised	1.77	-
TOTAL	<u>2,420.69</u>	<u>1,086.59</u>



	(₹ in Lacs)	
	Year Ended on 31 st Mar 2014	Year Ended on 31 st Mar 2013
26. OTHER EXPENSES		
Power & Fuel	910.39	662.50
Stores & spares consumed	62.91	50.35
Labour charges	1,704.82	1,225.24
Testing & other manufacturing cost	1,196.38	658.01
Cenvat duty provided on stock	41.01	21.90
Selling expenses	297.01	530.25
Freight & forwarding charges	822.19	327.13
Fleet operating cost	76.93	5.06
Advertisement expenses	81.80	113.39
Stationary, Printing, Postage and Telephone expenses	112.94	110.61
Repairs		
Plant and Machinery	214.99	151.64
Factory Building	19.41	9.60
Office & others	25.88	32.59
Insurance	51.95	48.09
Rent	55.09	31.79
Rates and taxes	7.70	2.53
Bank charges	203.76	183.28
Travelling & conveyance expenses	574.87	563.71
Directors sitting fees	2.63	2.85
Legal & professional charges	270.26	118.21
Audit fees	13.75	13.50
Late delivery charges	361.46	382.18
General charges	386.18	185.72
Provision for doubtful debts	44.91	-
Exchange rate difference	-	85.88
Cenvat duty expense	22.57	10.59
Loss on sale of fixed assets	14.65	10.18
After sales/replacement expenses	0.40	0.37
Preliminary expenses (written off during the year)	0.21	0.21
TOTAL	<u>7,577.05</u>	<u>5,537.36</u>

27. Details of Subsidiaries/Associate

The consolidated financial statements (CFS) comprise the financial statements of the Parent Company, Transformers and Rectifiers (India) Ltd. and the following subsidiaries and associates:

Name of the Company	Type	Country of incorporation	Proportion of ownership interest	Date of investment
Transweld Mechanical Engineering Works Ltd.	Subsidiary	India	100%	1 st Aug, 2006
TARIL Infrastructure Ltd.	Subsidiary	India	100%	22 nd Aug, 2012
Transpares Ltd.	Subsidiary	India	51%	2 nd Oct, 2006
Savas Engineering Company Pvt. Ltd.	Associate	India	50%	1 st Oct, 2008

28. Contingent liabilities in respect of

	As at 31 st Mar 2014	As at 31 st Mar 2013
Disputed demand of Central Excise/Income Tax Department	800.49	247.22

29. Commitments

	As at 31 st Mar 2014	As at 31 st Mar 2013
a) Guarantee given by bankers on behalf of Company	31,451.12	23,977.60
b) Corporate Guarantees of ₹ 2,480.00 Lacs (Previous year ₹ 2,480.00 Lacs) given by Company for loan taken by a subsidiary / Associate Company		
Balance of such loans outstanding	854.35	1,107.35
c) Performance Guarantees given by Company	24.58	49.84
d) Bills Discounted with Banks	6,756.76	163.91
e) Import duty benefit towards duty free import of raw materials made in respect of which export obligations are yet to be discharged.	-	1.74
f) Claims against Company not acknowledged as debts	Amount not ascertained	Amount not ascertained



30. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for ₹ 581.96 Lacs [Previous year ₹ 908.44 Lacs].
31. The Company has an investment of ₹ 41.50 Lacs in its Associate Company “Savas Engineering Company Private Limited.” (50%) by way of equity. The Company has also given an interest bearing loan of ₹ 1,003.21 Lacs to the said Associate Company. As per the Audited financial statements for the year ended on 31st March 2014, its net worth is ₹ 60.65 lacs. In the opinion of the management the aforesaid investment in equity and loan is long term and strategic in nature. The Company had obtained an independent valuation report for the associate company’s plot, factory building and machinery by Government Approved Valuer, which value is in excess of the cost of investment and loan given and hence there is no diminution in value of investment and therefore no provision is considered necessary for the current financial year and loan amount is considered good and recoverable.
32. Trade receivables outstanding for more than six months include receivables of ₹ 1,254.82 Lacs, which are overdue from a customer whose gas based power plant project is in advanced stage of completion. The commissioning of the said plant is dependent on the supplies of natural gas. Though the customer is confident of obtaining the requisite gas allocation from the Government of India (GOI), there are uncertainties in respect of timing of getting the gas allocation from the GOI. The customer has confirmed the outstanding balance as on 31st March 2014, and based on the frequent discussions with the customer, the management of the Company is hopeful of recovering the outstanding amount and hence said amount is considered good and recoverable.

33. Disclosures regarding Revenue recognition under AS 7 - Construction Contracts

	(₹ in Lacs)	
The amounts to be disclosed in accordance with the Standard are as follows:	Year Ended on 31 st Mar 2014	Year Ended on 31 st Mar 2013
Contract revenue recognised as revenue in the period	11,042.36	5,060.69
Contract costs incurred upto the reporting date	11,000.25	4,961.44
Recognised profits (less recognised losses) upto the reporting date	42.11	99.25
Advances received	1,396.24	867.81
Gross amount due from customers for contract work- presented as an asset	9,418.03	4,093.63
Gross amount due to customers for contract work- presented as a liability	-	-

34. Disclosures regarding Derivative Instruments

- (a) The Company uses forward exchange contracts to hedge its exposure in foreign currency. There are no contracts entered into for the purpose of speculation.
- (b) The information on derivative instruments as on 31st March, 2014 is as follows :

Exposure hedged by Derivative Instruments

	(Amount in Lacs)					
	No. of Contacts		Foreign Currency Amount		Reporting Currency Amount (INR)	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Forward cover for Import Payable - USD	1	-	3.82	-	228.71	-

Unhedged Exposures

	(Amount in Lacs)			
	Foreign Currency Amount		Reporting Currency Amount (INR)	
	2013-14	2012-13	2013-14	2012-13
Accounts Receivable				
USD	0.50	4.47	30.07	242.46
EURO	-	0.13	-	9.01
Account Payable				
USD	12.46	6.46	746.10	350.52
EURO	0.29	9.49	23.86	659.32

Expenditure on account of Premium on forward exchange contracts to be recognized in Profit & Loss Statement of subsequent accounting period aggregates to ₹ 1.77 Lacs (Previous year Nil).



35. Employee Benefits

Defined Benefit Plans :

(₹ in Lacs)

	Gratuity		Leave Encashment	
	2013-14	2012-13	2013-14	2012-13
i Expenses recognised in profit & loss statement for the year				
Current service cost	27.09	25.21	15.01	13.96
Interest cost	13.93	12.11	6.50	4.62
Expected return on plan assets	(12.34)	(11.67)	-	-
Prior year changes	-	9.16	-	13.80
Past service cost	-	-	-	(4.73)
Net actuarial losses/(gains)	(15.14)	(11.13)	(26.13)	0.67
Total Expenses	13.55	23.68	(4.62)	28.32
ii Reconciliation of opening and closing balances of changes in present value of the defined benefit obligation				
Opening defined benefit obligation	177.34	143.19	82.33	54.87
Service cost	27.09	25.21	15.01	13.96
Interest cost	13.93	12.11	6.50	4.62
Actuarial losses/(gains)	(18.13)	(10.85)	(26.13)	0.67
Losses/(gains) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Prior year changes	-	9.16	-	13.80
Past service cost	-	-	-	(4.73)
Benefits paid	(6.32)	(1.48)	(2.13)	(0.86)
Closing defined benefit obligation	193.92	177.34	75.58	82.33
iii Reconciliation of opening and closing balances of changes in fair value of plan assets				
Opening fair value of plan assets	147.55	111.13	-	-
Adjustment	(1.19)	12.70	-	-
Expected return on plan assets	12.34	11.67	-	-
Actuarial gains/(losses)	(3.00)	0.27	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	1.88	13.26	-	-
Benefits paid	(6.32)	(1.48)	-	-
Closing balance of fair value of plan assets	151.26	147.55	-	-
iv Net Liability recognised in the Balance Sheet				
Defined Benefit Obligation	193.92	177.34	75.58	82.33
Fair Value of plan assets	151.26	147.55	-	-
Present Value of unfunded obligation recognised as liability	42.65	29.79	75.58	82.33
v Past four years data for define benefit obligation and fair value of plan assets are as under:	2012-13	2011-12	2010-11	2009-10
Gratuity				
Defined Benefit Obligation	177.34	143.19	117.02	77.39
Fair value of plan assets	147.55	111.13	103.41	96.88
Present Value of unfunded obligation recognised as liability	29.79	32.06	13.61	(19.49)
Leave Encashment				
Defined Benefit Obligation	82.33	54.87	39.05	49.30
Fair value of plan assets	-	-	-	-
Present Value of unfunded obligation recognised as liability	82.33	54.87	39.05	49.30
vi Actual Return on Plan Assets	-	-	-	-
vii Major categories of Plan Assets as a percentage of total plan assets are as follows:				
Policy of Insurance	100%	100%	-	-
viii Actuarial Assumptions	As at 31st March, 2014			
Discount rate	9.10 %			
Expected rate of return on plan assets	8.50 %			
Expected rate of salary increase	6.50 %			
Mortality	LIC (1994-96) published table of mortality rates			
Withdrawal rates	5% at younger ages reducing to 1% at older age			
Retirement age	58 Years			
Actuarial valuation method	Projected unit credit method			

**Defined Contribution Plans :**

₹ 102.22 Lacs (Previous year ₹ 85.31 Lacs) recognised as an expense and included in the Note 24 of Profit & Loss Statement under the head “Contribution to Provident and other funds”.

36. Details of Pre Operative Expenses

	(₹ in Lacs)	
	As at 31 st Mar 2014	As at 31 st Mar 2013
Opening Balance	153.65	53.94
Add:		
Interest and finance charges	55.07	356.54
Electricity expense	-	23.79
Salary expense	-	32.57
TOTAL (A)	208.72	466.84
Less:		
Capitalised during the year	4.68	313.19
TOTAL (B)	4.68	313.19
Closing Balance:	TOTAL (A-B)	153.65

Details of Preoperative Expenses capitalized during the year :

Fixed asset	Year Ended on 31 st Mar 2014	Year Ended on 31 st Mar 2013
Building	-	229.62
Plant & Equipment	4.68	80.95
Electrifications	-	2.62
TOTAL	4.68	313.19

37. Related party transactions

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

Sr.	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 Mrs. Karuna J. Mamtora Mr. Vinod Masson Mr. Hitendra M. Doshi
3	Relatives of Key Management Personnel	Ms. Janki Mamtora Ms. Aakanksha Mamtora Mr. Dilip Mamtora Mr. Bipin Mamtora
4	Enterprises over which Key Managerial Personnel is able to exercise significant Influence	Benchmark HR Solutions (India) Pvt. Ltd. Jitendra U. Mamtora (HUF) Transpower Skytrek Tours & Travels



(b) Details of transactions with related parties :		(₹ in Lacs)	
A	Volume of Transactions	2013-14	2012-13
1)	Service Received		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	35.74	41.56
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Benchmark HR Solutions (India) Pvt. Ltd.	2.48	-
	Skytrek Tours & Travels	140.80	133.10
2)	Service Rendered		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	6.06	-
3)	Rent Paid		
	Key Managerial Personnel		
	Mrs. Karuna J. Mamtora	2.22	2.40
4)	Purchase of Goods		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	450.47	520.95
5)	Sale of Goods		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	8.44	12.89
6)	Sales of Capital Goods		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	-	0.26
7)	Purchase of Capital Goods		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	208.84	126.92
8)	Loan Given / Repaid and Interest thereon to Associate Company		
	Savas Engineering Company Pvt. Ltd.		
	Loan given	657.50	304.66
	Loan repaid	580.59	134.59
	Interest	112.26	91.55
	Balance as at 31 st March	1,003.21	814.04
	Balance as at 1 st April	814.04	552.42
	[Maximum outstanding during the year ₹ 1,168.21 Lacs (Pervious year ₹ 905.77 Lacs)]		
	Loan Taken / Repaid and Interest thereon to		
	Key Managerial Personnel		
	Mr. Jitendra U. Mamtora		
	Loan taken	1,321.65	882.98
	Loan repaid	1,362.75	893.22
	Interest	41.10	10.24
	Balance as at 31 st March	-	-
	Balance as at 1 st April	-	-
	Mr. Satyen J. Mamtora		
	Loan taken	12.80	-
	Loan repaid	0.52	-
	Interest	0.21	-
	Balance as at 31 st March	12.49	-
	Balance as at 1 st April	-	-
9)	Managerial Remuneration		
	Mr. Jitendra U. Mamtora	48.00	48.00
	Mr. Satyen J. Mamtora	48.00	48.00
	Mrs. Karuna J. Mamtora	22.09	22.09
	Mr. Vinod Masson	24.00	23.36
	Mr. Hitedra M Doshi	23.00	22.97
10)	Dividend Paid		
	Key Managerial Personnel		
	Mr. Jitendra U. Mamtora	66.44	-
	Mr. Satyen J. Mamtora	0.73	-
	Mrs. Karuna J. Mamtora	2.01	-
	Mr. Hitendra M. Doshi	-	9.48
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Mr. Jitendra U. Mamtora (HUF)	5.12	-



		(₹ in Lacs)	
Relatives of Key Managerial Personnel			
	Ms. Janki Mamtora	0.16	-
	Mr. Bipin Mamtora	-	-
	Mr. Dilip Mamtora	-	-
B	Balance at the end of the Period	As at	As at
		31st Mar 14	31st Mar 13
1)	Due To		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	105.68	8.52
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Skytrek Tours & Travels	0.47	8.73
	Key Managerial Personnel		
	Mrs. Karuna J. Mamtora	-	0.25
C	Corporate Guarantee given to Bankers for loan taken by	As at	As at
		31st Mar 14	31st Mar 13
1)	Associate Company		
	Savas Engineering Company Pvt. Ltd.	990.00	990.00

38. Payment to Political Party

		(₹ in Lacs)	
		Year ended on	Year ended on
		31 st Mar 2014	31 st Mar 2013
	Bhartiya Janta Party	100.00	0.51

39. Leases**Operating Lease**

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

		(₹ in Lacs)	
		Year ended on	Year ended on
		31 st Mar 2014	31 st Mar 2013
	Office Premises	23.69	9.23
	Godown	3.68	3.44

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.

40. Earnings Per Share

		Year ended on	Year ended on
		31 st Mar 2014	31 st Mar 2013
	Net Profit for the period (₹ in Lacs)	518.79	490.48
	Weighted Average number of equity shares*	13,256,411	13,256,411
	EPS (Basic & Diluted) (₹)	3.91	3.70
	Nominal value of Equity Shares (₹)	10.00	10.00

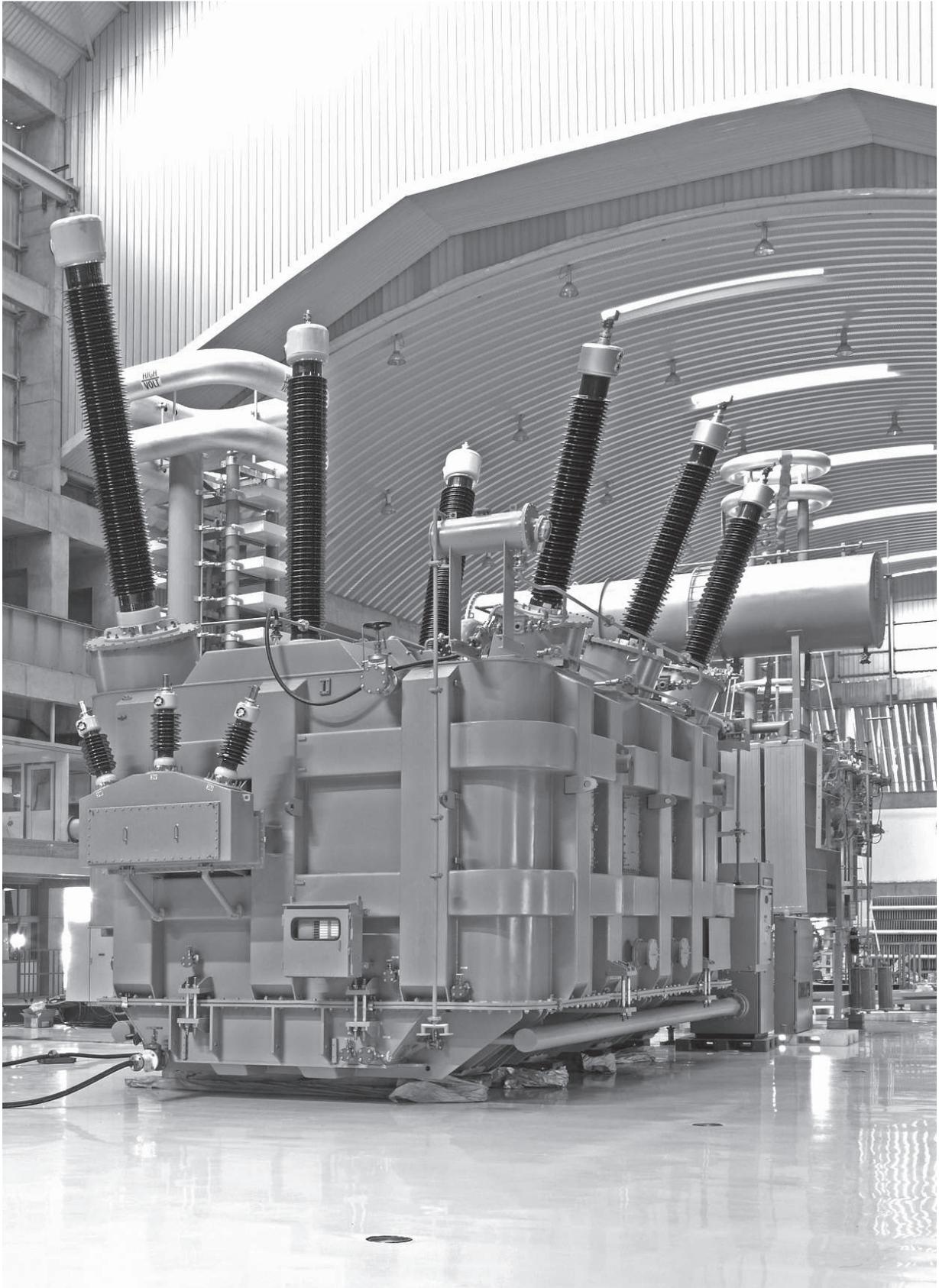
* Previous year No. of shares adjusted for bonus shares issued during the year.

41. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our attached report of even date	For and on behalf of the Board	
For Deloitte Haskins & Sells	Jitendra U. Mamtora	Satyen J. Mamtora
Chartered Accountants	Chairman	Managing Director
Registration No. 117365W	DIN: 00139911	DIN: 00139984
Gaurav J. Shah	Rahul Shah	Chintan Trivedi
Partner	CFO	Company Secretary
Membership No. 35701		
Place : Ahmedabad		Place : Ahmedabad
Date : 2nd May, 2014		Date : 2nd May, 2014



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CIN : L33121GJ1994PLC022460

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