

**TRANSPARES LIMITED**  
**EIGHTEENTH ANNUAL REPORT 2012-2013**

**Board of Directors**

Mr. Hitendra Doshi	Chairman & Managing Director
Mrs. Karuna Mamtara	Director
Mrs. Aakanksha Mamtara	Director
Mr. Sureshchandra Agarwal	Director
<i>(w.e.f. 8.8.2012)</i>	

**Bankers**

Axis Bank Ltd.  
CBB Branch,  
Ahmedabad

**Auditors**

Deloitte Haskins & Sells  
Chartered Accountants,  
Ahmedabad

**Registered Office/ Plant**

14/15, Ashwamegh Industrial Estate,  
Sarkhej Bavla Highway,  
Changodar, Taluka- Sanand,  
Dist. Ahmedabad-382213  
Gujarat

## **NOTICE**

**NOTICE** is hereby given that 18<sup>th</sup> Annual General Meeting of the Members of Transpares Limited, will be held on Thursday, 18<sup>th</sup> day of July, 2013, at 10.00 a.m. at the Registered office of the Company to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Profit & Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To take note of Interim Dividend paid and to consider the same as final dividend on Equity Shares of the Company, for the year ended on 31<sup>st</sup> March, 2013.
3. To appoint a director in place of Mrs. Aakanksha Mamtara, who retires by rotation and, being eligible, offers herself for re-appointment.
4. To consider and if thought fit, to pass without modification(s), the following resolution as an Ordinary resolution as required under Section 224 of the Companies Act, 1956, for appointment of Auditors :

**"RESOLVED THAT** M/s. Deloitte Haskins & Sells, Ahmedabad, (Firm Registration No. 117365W) be and are hereby reappointed as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on remuneration to be fixed by the Board of Directors of the Company"

### **SPECIAL BUSINESS**

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

**"RESOLVED THAT** Mr. Sureshchandra Agarwal, who was appointed as an Additional Director of the Company under Section 260 of the Companies Act, 1956 and who holds office till commencement of this Annual General Meeting and for whom the Company has received a notice in writing from a member proposing his candidature for the Office of Director under Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company liable to retire by rotation.

6. To consider and if thought fit, to pass, with or without modification, the following resolution as Special Resolution:

**"RESOLVED THAT** in accordance with provisions of Sections 198,269,309,310 and other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule XIII and subject to the approval of the Central Government, if required, the consent of the members be and are hereby accorded for the re-appointment of Mr. Hitendra Doshi, as a Managing Director of the Company, w. e. f. 1<sup>st</sup> April, 2013 for further period of 3 years, on the terms and conditions agreed between him & the Company, as set out in the Explanatory Statement annexed hereto."

**"RESOLVED FURTHER THAT** Board of Directors be and are hereby authorized to file the necessary forms/ papers/ return with the Registrar of Company, Gujarat, pursuant to provisions of Companies Act, 1956 under the revised forms as prescribed by the Ministry of Company Affairs under MCA21 Programme and to carry out all the procedures with any Government or any other department for this matter."

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

**"RESOLVED THAT** pursuant to provisions of Section 383A(1) of the Companies Act, 1956, Mr. Tapan Shah be and is hereby appointed as Company Secretary in Whole-time Practice for obtaining compliance certificate for the year 2013-14 at a remuneration to be determined by Mr. Hitendra Doshi, Managing Director of the Company in consultation with Mr. Tapan Shah."

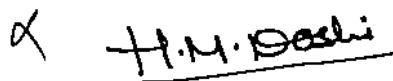
**Date: 22<sup>nd</sup> April, 2013**

Place: Ahmedabad

**Registered Office**

14-15, Ashwamegh Industrial Estate,  
Changodar, Ta. Sanand,  
Ahmedabad

**On behalf of Board of Directors**



**Hitendra Doshi**  
**Chairman & Managing Director**

**Notes**

1. 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 time fixed for the meeting.
2. Explanatory Statement under section 173(2) of the Companies Act, 1956 is enclosed.

**Explanatory Statement**  
**[Pursuant to Section 173(2) of the Companies Act, 1956]**

**Item No. 5**

Mr. Sureshchandra Agarwal, was appointed as a director on the board of directors of the company on August 8, 2012, According to the provision of section 262 of the companies act 1956, Mr. Sureshchandra Agarwal hold office as Director upto the date of ensuring annual general meeting of the company. The company has received notice under section 257 of the companies act, 1956 from a member signifying his intention to propose their appointment as a Director of the company along with a deposit of Rs. 500/-. The board considers that it is the interest of the company to avail their services as a Director. The Board recommends the resolution for approvals of the members.

None of the Director is concerned or interested in passing this resolution, except Mr. Sureshchandra Agarwal, himself.

**Item No. 6**

The Chairman informed the Board of Directors that Mr. Hitendra Doshi was appointed as a Managing Director of the Company, with remuneration terms. He is looking after and managing the day to day operations of the Company. The Board at its meeting held on 22<sup>nd</sup> April, 2013, on the recommendation of Remuneration Committee, has decided to reappoint him as a Managing Director of the Company with effect from 1<sup>st</sup> April, 2013 for a further period of 3 years, on such remuneration, subject to following terms & conditions mentioned hereunder.

He will be entitled to the following remuneration:

(a) Salary :

(Rs. per Month)

BASIC	75000
MEDICAL ALLOWANCE	1250
HRA	15000
CHILDREN EDUCATION ALLOWANCE	200
TRAVELLING ALLOWANCE	800
PF (EMPLOYEE PORTION)	9000
CONVEYANCE	7500
SPL ALLOWANCE	41250
<b>Total Salary</b>	<b>150,000</b>

(b) Perquisites : In addition to the salary, the following perquisites shall be allowed to the Chairman and Managing Director and the total value of perquisites shall be restricted to an amount of Rs.5.00 Lacs p.a.

(c) Commission – Apart from Salary and Perquisites he is also entitled to 1% Commission of the Company's Net Profit for each financial year subject to the over all ceiling laid down in Section 198 and 309 of the Companies Act, 1956

#### **CATEGORY - "A"**

##### **i) Housing :**

The Company shall provide equipments and appliances, furniture, fixtures and furnishing, including maintenance of all, at the residence of the Chairman and Managing Director at the entire cost of the Company. The Company shall reimburse the expenses of gas, electricity, water etc. The expenditure on these, valued in accordance with the Income-tax Rules, shall not exceed 10% of the salary.

##### **ii) Medical Reimbursement :**

Medical Expenses actually incurred for self and family shall be reimbursed by the Company.

##### **iii) Leave Travel Concession :**

The Company shall provide leave travel fare for the Chairman and Managing Director and his family once in a year.

##### **iv) Personal Accident Insurance :**

The Company shall pay Personal Accident Insurance Premium upto Rs.10000/- per annum.

##### **v) Club Fee :**

The Company shall pay and / or Reimburse Fees and Expenses (excluding admission and Life membership fees) of clubs, subject to a maximum of two clubs.

#### **CATEGORY - "B"**

1. The Company shall provide a Car with Driver at the entire cost of the Company for use for the business of the Company. The Company shall provide telephone including mobile phone at the residence of the Chairman & Managing Director at the entire cost of the Company.

2. The Chairman & Managing Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. He shall, however, be reimbursed the actual travelling, lodging and boarding expenses incurred by him for attending meetings of the Board of Directors and/or committees thereof.

3. The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Chairman & Managing Director and other Executive Directors of the Company taken together. Provided, however, that in the event of absence or inadequacy of profit, the Chairman & Managing Director shall be entitled to remuneration mentioned under (a) above and perquisites as above within the minimum remuneration specified in Schedule XIII to the Companies Act, 1956.

4. In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company.

5. The Chairman & Managing Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company.

6. "Family" means the spouse, dependent children and dependent parents of Managing Director.

7. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.

#### **CATEGORY - "C"**

i) The Company shall contribute towards Provident Fund/Superannuation Fund/Annuity Fund provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the Income-tax Act.

ii) The Company shall pay Gratuity at the rate not exceeding half month's salary for each completed year of service.

iii) Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed will be allowed to be encashed at the end of the term as per rules of the Company.

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

All expenditure actually and properly incurred on Company's business shall be reimbursed to the Chairman and Managing Director.

**Disclosure pursuant to sub-clause B of Section II of Part II of Schedule XIII of the Companies Act, 1956**

**I. General Information:**

**(i) Nature of Industry**

Transpares Limited is manufacturing Pressed Steels Radiator.

**(ii) Date of commencement of commercial production**

The Company is an existing Company and the date of Commencement of operations dates back to year 1995.

**(iii) Financial performance**

Consolidated Performance of the Company for the last three years is as follows:

Particulars	(Rs. In lakh)		
	2013	2012	2011
Gross Total Income	1757.01	1940.54	1906.36
Profit before Interest, Depreciation & tax	261.62	245.91	319.42
Profit after tax	<b>101.00</b>	<b>94.41</b>	<b>146.82</b>

**(iv) Export performance and net foreign exchange collaborations.**

NIL

**(v) Foreign investments or collaborators, if any.**

NIL

**II. Information about the Appointee:**

**(i) Background details**

Mr. Hitendra Doshi holds a Diploma in Painting Technology, from R.C. Technical College of Engineering. He has been associated with our Company since its inception. He has over 18 years of experience in the transformer industry, in area of project, production and marketing as Managing Director.

**(ii) Past remuneration**

Mr. Hitendra Doshi has drawn a remuneration of 22.97 lacs during the financial year ended March 31, 2013.

**(iii) Recognition or awards**

Nil

**(iv) Job profile and his suitability**

Mr. Hitendra Doshi, Managing Director has been taking care of overall operations and affairs of the Company. Since his appointment as Managing Director, he has steered the Company with total dedication, hard work and effective leadership into diversified activities, resulting in the profitable growth of the Company's operations.

**(v) Remuneration proposed**

As specified in the Resolution. Mr. Hitendra Doshi was appointed as Chairman & Managing Director for the period of 3 years, w.e.f 1<sup>st</sup> April, 2013 with the maximum remuneration of Rs. 24 Lacs p.a. and other term and conditions as mentioned in the proposed resolution.

**(vi) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person**

The proposed remuneration is commensurate with the profile of the Managing Director, and the responsibility shouldered by him and is in tune with the Industry standards, wherein the Company operates.

**(vii) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any**

Except the proposed remuneration, the Managing Director, does not have / will not have any pecuniary relationship, directly or indirectly with the Company.

**III. Other Information:**

**(i) Reason of loss or inadequate profits. : Nil**

**(ii). Steps taken or proposed to be taken for improvements. : Nil**

**(iii) Expected increase in productivity and profits in measurable terms. : Nil**

The Board recommends the resolutions for the approval of the members.

None of the Directors of the Company other than Mr. Hitendra Doshi, himself is concerned or interested in this resolution.



**Item No. 7**

As per the section 383A(1) of the Companies Act, 1956, every company not required to employ a whole-time secretary and having a paid-up capital of Rs.10 lacs and more shall require to obtain Compliance Certificate from a practicing company secretary, every year. This Certificate shall be attached to the Board's Report.

Your company falls under this category and accordingly the Company has to obtain the same for the current financial year. Mr. Tapan Shah has carried out the same for the financial year 2012-13.

The Directors recommend the appointment of Mr. Tapan Shah as Secretary in Whole – time Practice for the year 2013 - 2014.

None of the Directors of the Company is concerned or interested in the Resolution.

**Date: 22<sup>nd</sup> April, 2013**  
Ahmedabad

**By order of the Board**

X H.M. Doshi

**Regd. Office**  
14/15, Ashwamegh Industrial Estate,  
Sarkhej Bavla Highway,  
Changodar, Ta. Sanand,  
Ahmedabad

**Hitendra Doshi**  
**Chairman & Managing Director**

### DIRECTORS' REPORT

To,  
**The Members**  
**Transpares Limited**  
**Ahmedabad**

Your Directors have pleasure in presenting the 18<sup>th</sup> Annual Report along with the Audited Accounts of the Company for the year ended on 31st March, 2013.

### **Financial Highlights**

	(Rs in Lacs)	
<b>Financial Results</b>	<b>2012-2013</b>	<b>2011-2012</b>
Net Revenue form Operation	1568.03	1760.11
Other Income	1.24	6.90
<b>Total Revenue</b>	<b>1569.27</b>	<b>1767.01</b>
Cost of Raw Material Consumed	964.23	1141.38
(Increase)/Decrease in Inventories of Finished Goods and Process Stock	32.30	37.35
Manufacturing Expenses	210.30	194.25
Employee Benefit Expense	63.60	61.72
Finance Cost	60.73	79.96
Depreciation & Amortization	46.36	34.09
Other Expenses	37.23	86.40
<b>Total Expenses</b>	<b>1414.75</b>	<b>1635.15</b>
<b>Profit/(Loss) before tax</b>	<b>154.52</b>	<b>131.86</b>
Tax Expenses	53.52	37.45
<b>Profit/(Loss) after tax</b>	<b>101.00</b>	<b>94.41</b>

### **Results of Operation**

During the Financial year 2012-13, Company has performed moderately & achieved total Revenue of Rs.1569.27 Lacs as against Rs.1767.01 Lacs last year. The Company posted the performance with Profit before Tax of Rs. 154.52 Lacs, which is higher as compared to 131.86 Lacs of last year. The Net Profit after Tax at stood at Rs.101.00 Lacs as against 94.41 lacs for the financial year 2011-2012.

### **Dividend**

The Directors of the Company have declared and paid Interim Dividend of Re. 1.00 per share (10%) for the FY 2012-13, as approved in the Board meeting held on 29<sup>th</sup> March, 2013. The said dividend shall be treated as final Dividend for the FY. 2012-13. Against this, the Company has declared and paid 20% dividend in the financial year 2011-12.

## **Finance**

During the year under review, your Company arranged for additional credit facilities from its Banker, Axis Bank Ltd. in order to meet the working capital requirements. This will help the Company to implement its project very fast and effective.

## **Directors**

Mrs. Aakanksha Mamtara, Director of the Company who retires by rotation at the ensuing Annual General meeting and being eligible, offers herself for re-appointment, in accordance with the provisions of the Articles of Association of the company.

Mr. Sureshchandra Agarwal was appointed as an Additional Director of the Company with effect from 8<sup>th</sup> August, 2012, in place of Mr. Michael Homawalla, who resigned from the Board on the same day. Terms of Mr. Sureshchandra Agarwal expires at the ensuing Annual General Meeting. It will be in the best interest of the Company to appoint him as a Director of the Company and continue to avail his services. He is proposed to be re-appointed as regular Director in the ensuing Annual General Meeting.

The Board appreciates the contribution made by outgoing Director, Mr. Michael Homawalla, during his tenure for development and growth of the Company.

The Board at its meeting held on 22<sup>nd</sup> April, 2013 has reappointed Mr. Hitendra Doshi as Chairman and Managing Director of the Company w.e.f. 1<sup>st</sup> April, 2013 for further period of 3 years, subject to approval of the members in general meeting.

## **Fixed Deposits**

The Company has neither invited nor accepted / renewed any deposits from the Public within the meaning of section 58A of the Companies Act, 1956 during the year under review.

## **Directors' Responsibility Statement**

Pursuant to Section 217 (2AA) of the Companies Act, 1956 your Directors confirm the following:

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- Your 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 ended on 31st March, 2013.

- Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- Your Directors have prepared the attached statements of accounts for the year ended 31st March, 2013 on a going concern basis.

### **The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988**

Information under Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are forming part of the Director's Report.

### **Particulars regarding Employees**

Particulars of employees under section 217 (2A) of the Companies Act 1956 and the rules framed there under is not applicable this year, as there were no employees drawing the remuneration of Rs. 60 Lacs or more, paid in respect of persons employed throughout the financial year or to whom remuneration of Rs.5 Lacs or more per month, paid in respect of persons employed for part of the financial year.

### **Secretarial Compliance Certificate**

In accordance with Section 383A of the Companies Act, 1956, and Companies (Compliance Certificate) Rule, 2001, the Company has obtained a certificate from a Secretary in whole time practice confirming that the Company has complied with various provisions of the Companies Act, 1956 and copy of such certificate is annexed to this Report.

### **Auditors & Auditors' Report**

M/s. Deloitte Haskins & Sells., Chartered Accountants, Ahmedabad, the auditors of the Company, hold their office until the conclusion of the ensuing Annual General Meeting, and are recommended for reappointment. The Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limits under section 224(1-B) of the Companies Act, 1956. You are requested to reappoint auditors to hold office until the conclusion of the next Annual General Meeting and to fix their remuneration.

Notes forming part of the accounts are self explanatory as far as Auditor's Report is concerned and therefore, it does not require any further comments.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo.**

Information in accordance with the provisions of section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are given in the Annexure forming part of the report.

**Acknowledgement**

The Directors extend their sincere thanks to the Bankers, Central Government and State Government Authorities, Customers, Valued Shareholders, Staff members and all other associated with the Company, for their co-operation, continued support and confidence reposed by them in the Company.

**Date: 22<sup>nd</sup> April, 2013**  
**Place : Ahmedabad**

**For and on behalf of the Board of Directors**



**Hitendra Doshi**  
**Chairman & Managing Director**

### ANNEXURE TO THE DIRECTOR'S REPORT

**Information under Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988**

**(1) Conservation of Energy:-**

**(a) Energy conservation measures taken:**

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

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

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

d) Total energy consumption and energy consumption per unit are as follows:

Particulars	2012-2013	2011-12
Total Consumptions (in Units)	632451	778481
Total Cost (in Rs.)	4,851,892	4,892,583
Cost per Unit (in Rs.)	7.67	6.28

**(2) Research & Development and Technology absorption:-**

During the year, no further development is done for research. The company has not taken any technology in particular or entered into any technology agreement during the period hence the information required under this is not applicable to the company.

**(3) Foreign Exchange Earnings & Outgo:-**

The Company has neither earned nor spends any foreign currency, during the year as well as in last year.

## TO THE MEMBERS OF TRANSPARES LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of **TRANSPARES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2013, 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 referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### 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.



# Deloitte Haskins & Sells

Deloitte Haskins & Sells  
Chartered Accountants  
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Near Government College,  
Off Ashram Road  
Anna Nagar - 600 029  
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+91 (079) 2759 3413  
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## 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 31<sup>st</sup> March, 2013;
- (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.

## 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 referred to in Section 211(3C) of the Act.





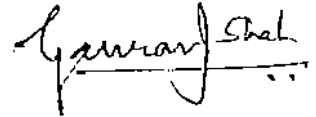
# Deloitte Haskins & Sells

Deloitte Haskins & Sells  
Chartered Accountants  
'Heritage', 3rd Floor,  
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Ahmedabad - 380 014.

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- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2013 from being appointed as a director in terms of Section 274(1) (g) of the Act.

**For DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 117365W)



(Gaurav J. Shah)  
Partner  
(Membership No. 35701)

Place : Ahmedabad  
Date : 22<sup>nd</sup> April, 2013

## 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 CARO 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) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.



# Deloitte Haskins & Sells

Deloitte Haskins & Sells  
Chartered Accountants  
'Heritage', 2nd Floor,  
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- (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) Having regard to the fact that the goods sold by the Company pursuant to the contracts or arrangements, where each of such transaction is in excess of Rs.5 lakhs in respect of any party, are of a specialized nature for which suitable alternative sources do not exist for obtaining comparative market prices prevailing at the relevant time, we are unable to comment as to whether these transactions were made at prices which are reasonable having regard to the prevailing market prices 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:
  - (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor 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.



# Deloitte Haskins & Sells

Deloitte Haskins & Sells  
Chartered Accountants  
'Heritage', 3rd Floor,  
Near Gujarat Vidhyapeeth,  
Off Ashram Road,  
Ahmedabad - 380 014.  
Tel: +91 (079) 27582542  
+91 (079) 27582543  
+91 (079) 66072111  
Fax: +91 (079) 27582111

- (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable.
- (c) There were no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31<sup>st</sup> March, 2013 on account of disputes.
- (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 Company has not given any guarantees for loans taken by others from banks and financial institutions.
- (xv) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, 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) During the year the Company has not raised money by public issue.

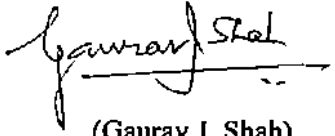


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(xx) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

**For DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 117365W)



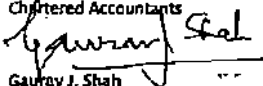

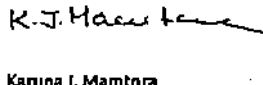
(Gaurav J. Shah)  
Partner

Place : Ahmedabad  
Date : 22<sup>nd</sup> April, 2013

(Membership No. 35701)



Transpares Limited  
Statement of Profit and loss for the year ended 31st Mar, 2013

Particulars	Notes	For the Year Ended on 31st Mar 2013	For the Year Ended on 31st Mar 2012
<b>Income</b>			
Sale of Goods (Gross)		17,51,86,443	19,35,55,731
Service Income (Gross)		79,644	1,01,300
Other Operating Income		4,34,705	3,97,134
		<u>17,57,00,792</u>	<u>19,40,54,165</u>
Less : Centat Duty recovered on Sales & Service Income		1,88,98,048	1,80,43,361
Revenue from operations (Net)		<u>15,68,02,744</u>	<u>17,60,10,804</u>
Other Income	18	1,24,435	6,89,832
<b>Total Revenue (I)</b>		<u><b>15,69,27,179</b></u>	<u><b>17,67,00,636</b></u>
<b>Expenses:</b>			
Cost of Raw Materials Consumed	19	9,64,23,466	11,41,38,509
(Increase)/Decrease In Stock of Finished Goods and Process Stock	20	32,29,776	37,35,064
Manufacturing Expenses	21	2,10,30,002	1,94,24,695
Employee benefits expense	22	63,59,802	61,72,076
Depreciation and amortization		46,36,126	34,08,901
Finance costs	23	60,73,489	79,95,840
Other expenses	24	37,22,549	86,39,527
		<u>14,14,75,210</u>	<u>16,35,14,614</u>
<b>Total expenses (II)</b>		<u><b>14,14,75,210</b></u>	<u><b>16,35,14,614</b></u>
<b>Profit before exceptional and extraordinary items and tax (I-II)</b>		<u><b>1,54,51,969</b></u>	<u><b>1,31,86,022</b></u>
Exceptional Items		-	-
<b>Profit before extraordinary items and tax</b>		<u><b>1,54,51,969</b></u>	<u><b>1,31,86,022</b></u>
Extraordinary Items		-	-
<b>Profit before tax</b>		<u><b>1,54,51,969</b></u>	<u><b>1,31,86,022</b></u>
<b>Tax expenses:</b>			
(1) Current tax		32,10,000	37,75,000
Less: MAT Credit Entitlement		(3,77,606)	-
(2) Deferred tax		24,52,016	1,23,928
(3) Short/(Excess) Prov of Earlier tax		67,590	(1,53,724)
		<u>53,52,000</u>	<u>37,45,204</u>
<b>Profit/(Loss) for the year</b>		<u><b>1,00,99,969</b></u>	<u><b>94,40,818</b></u>
<b>Earning per equity share:</b>			
(1) Basic		5.21	4.87
(2) Diluted		5.21	4.87
<b>Summary of significant accounting policies</b>	1		
The accompanying notes are an integral part of the Financial Statement.			
As per our attached report of even date. For Deloitte Haskins & Sells Chartered Accountants		For and on behalf of the Board	
			
Gaujiv J. Shah Partner		Hirendra M. Doshi Chairman & M.D.	
			
		Karuna J. Mamtor Director	
Place : Ahmedabad Date : 22nd April, 2013		Place : Ahmedabad Date : 22nd April, 2013	

Transpares Limited  
Cash Flow Statement for the year ended 31st Mar, 201

		Year ended 31st March, 2013	Year ended 31st March, 2012
<b>[A] Cashflow From Operating Activities:</b>			
1.	Net Profit before Tax	1,54,51,969	1,31,86,022
2.	Adjustments for:		
	(i) Depreciation and Amortisation	46,36,126	34,08,902
	(ii) Interest Expenses	60,73,489	79,95,840
	(iii) Interest Income	(51,599)	(5,91,170)
	(iv) Dividend Income	(15,000)	(16,250)
	(v) (Profit)/Loss on Sales of Assets	1,85,697	3,085
		1,08,28,713	1,08,00,407
	Operating Profit Before Working Capital Changes ( 1 + 2	2,62,80,682	2,39,86,429
3.	Adjustments for Working Capital changes:		
	(i) Trade & Other Receivables	(1,59,71,388)	(34,01,992)
	(ii) Trade & Other payables	59,57,479	(1,93,80,031)
	(iii) (Increase) / decrease in in Inventories	3,03,046	1,67,32,576
		(97,10,863)	(60,49,447)
	Cash Generated From Operations	1,65,69,819	1,79,36,982
	Less: Direct Taxes Paid	35,01,593	45,11,943
	<b>Net Cash From Operating Activities (A)</b>	<b>1,30,68,226</b>	<b>1,34,25,039</b>
<b>[B] Cashflow From Investing Activities:</b>			
	Purchase of Fixed Assets	(53,76,563)	(23,71,262)
	Sale of Fixed Assets	5,01,304	2,174
	Interest Received	51,599	5,91,170
	Dividend Received	15,000	16,250
	<b>Net Cash Used in Investing Activities (B)</b>	<b>(48,08,660)</b>	<b>(17,61,668)</b>
<b>[C] Cashflow From Financing Activities:</b>			
	Proceeds from Borrowings (Net)	1,02,768	(40,38,112)
	Interest Paid	(61,01,175)	(81,07,818)
	Government Grant Received (TUF Scheme)	-	-
	Dividends Paid (incl. tax thereon)	(22,50,996)	(45,01,998)
	<b>Net Cash Used in Financing Activities (C)</b>	<b>(82,49,404)</b>	<b>(1,66,47,928)</b>
<b>[D] Net Incr. / (Decr.) in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>10,163</b>	<b>(49,84,556)</b>
<b>[E] Cash &amp; Cash Equivalents at the beginning of the year</b>		<b>98,703</b>	<b>50,83,260</b>
<b>[F] Cash &amp; Cash Equivalents at the end of the year</b>		<b>1,08,866</b>	<b>98,703</b>



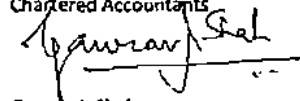


Note:

		Year ended 31st March, 2013	Year ended 31st March, 2012
1	Components of Cash & Cash Equivalents		
	Cash on hand	7,741	9,649
	Balances with banks		
	In Current Accounts	1,01,125	89,054
	In Margin Money	-	-
		1,08,866	98,703

2. The above cashflow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement Issued by the Institute of Chartered Accountants of India.

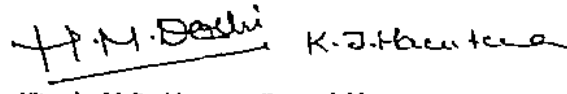
As per our report of even date attached  
For Deloitte Haskins & Sells  
Chartered Accountants



Gaurav J. Shah  
Partner

Place : Ahmedabad  
Date : 22.04.2013

For and on behalf of the Board of Directors



Hitendra M. Doshi      Karuna J. Mamora

Place : Ahmedabad  
Date : 22.04.2013

**2 SHARE CAPITAL**

	As at 31st Mar 2013	As at 31st Mar 2012
<b>Authorised Shares</b>		
2,000,000 Equity Shares of Rs. 10/- each	2,00,00,000	2,00,00,000
	<u>2,00,00,000</u>	<u>2,00,00,000</u>
<b>Issued, Subscribed and Fully Paid Up</b>		
1,936,800 (Previous Year 1,935,800) Equity Shares of Rs. 10/- each fully paid up	1,93,68,000	1,93,68,000
<b>Total</b>	<u>1,93,68,000</u>	<u>1,93,68,000</u>

**Notes**

Of the above shares :

(i) Reconciliation of the number of Shares Outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
At the Beginning of the Year	19,36,800	19,36,800
Issued during the Year	-	-
Outstanding at the end of Year	19,36,800	19,36,600

(ii) Details of shareholders holding more than 5 percent of Equity Shares

Particulars		As at 31st Mar 2013	As at 31st Mar 2012
Hitendra M. Doshi	Nos.	9,48,132	9,48,132
	% Holding	48.95%	48.95%
Transformers & Rectifiers (I) Ltd.	Nos.	9,87,768	9,87,768
	% Holding	51%	51%

(iii) Details of 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)

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
Equity shares allotted as fully paid bonus shares by Capitalisation of Surplus in Profit & Loss Account and General Reserves on 05 Dec., 2009	8,60,800	8,60,600

(iv) Rights of Equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per shares 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 shareholders are eligible to receive the remaining asset of the Company after distribution of all preferential amount, in proportion to their shareholding.

**3. RESERVES AND SURPLUS**

	As at 31st Mar 2013	As at 31st Mar 2012
<b>General Reserve</b>		
As per last balance sheet	75,23,275	50,23,275
Add : Amount transferred from Profit and Loss Account	-	25,00,000
	<u>75,23,275</u>	<u>75,23,275</u>
<b>Surplus/(Deficit) in Statement of Profit and Loss</b>		
As per last balance sheet	5,46,88,308	5,22,49,488
Net Profit for the year	1,00,99,969	94,40,818
<b>Less: Appropriations</b>		
Proposed Final Equity Dividend (Rs. 2/- Per Share)	-	38,73,600
Interim Equity Dividend (Rs. 1/- Per Share)	19,36,800	-
Tax on Dividend	3,14,196	6,28,398
Transfer to General Reserve	-	25,00,000
<b>Net surplus in Statement of Profit and Loss</b>	<u>6,25,37,281</u>	<u>5,46,88,308</u>
<b>Total</b>	<u>7,00,60,556</u>	<u>6,22,11,583</u>



**4. LONG TERM BORROWINGS**

	As at 31st Mar 2013	As at 31st Mar 2012
<b>Secured</b>		
Term Loans From Bank	-	15,60,000
<b>Total</b>	<u>-</u>	<u>15,60,000</u>

Secured by the Hypothecation of Fixed Assets acquired out of the Term Loan. Collaterally Secured by equitable mortgage over factory land and building of the Company and hypothecation of all plant & machinery (other than those acquired out of the term loan). Further secured by personal guarantee of some Directors and corporate guarantee given by the Holding Company.

**5. DEFERRED TAX LIABILITIES (NET)**

	As at 31st Mar 2013	As at 31st Mar 2012
<b>Deferred Taxes Liability</b>		
In respect of difference between book & tax WDV	79,54,078	54,82,448
<b>Deferred Taxes Asset</b>		
In respect of disallowance under the Income Tax Act	(18,71,105)	(18,51,491)
<b>Total</b>	<u>60,82,973</u>	<u>36,30,957</u>

**6. LONG TERM PROVISIONS**

	As at 31st Mar 2013	As at 31st Mar 2012
<b>Provision for employee benefits</b>		
Gratuity	1,00,321	2,14,958
Leave Encashment	2,94,507	2,25,581
<b>Total</b>	<u>3,94,828</u>	<u>4,40,539</u>

**7. SHORT TERM BORROWINGS**

	As at 31st Mar 2013	As at 31st Mar 2012
<b>Secured</b>		
Cash Credit From Bank	3,55,56,381	3,38,93,614
<b>Total</b>	<u>3,55,56,381</u>	<u>3,38,93,614</u>

Secured by the hypothecation of entire Current Assets of the Company. Collaterally Secured by equitable mortgage over factory land and building of the Company and hypothecation of all plant & machinery (other than those acquired out of the term loan). Further secured by personal guarantee of some Directors and corporate guarantee given by the Holding Company.

**8. TRADE PAYABLES**

	As at 31st Mar 2013	As at 31st Mar 2012
<b>Sundry Creditors :</b>		
a) Micro & Small Enterprises	-	-
b) Others	4,85,33,524	3,49,37,400
<b>Total</b>	<u>4,85,33,524</u>	<u>3,49,37,400</u>

**9. OTHER CURRENT LIABILITIES**

	As at 31st Mar 2013	As at 31st Mar 2012
Current maturities of long term debts	15,60,000	52,40,000
Interest accrued and due on borrowings	16,562	44,248
Interest accrued but not due on borrowings	3,08,595	-
Other Liabilities	16,46,391	17,86,279
<b>Total</b>	<u>35,31,548</u>	<u>70,70,527</u>





(a) Trade receivables outstanding for a period exceeding six months from the date they are due for payment	6,98,501	10,13,113
(i) Unsecured, considered good	52,27,116	52,27,116
(ii) Unsecured, considered doubtful	59,26,017	62,40,229
Less: Provision for doubtful debts	52,27,116	52,27,116
(b) Others	6,98,901	10,13,113
Unsecured, considered good	9,05,80,675	7,54,76,893
<b>Total</b>	<b>9,12,79,576</b>	<b>7,64,90,006</b>

#### 15. TRADE RECEIVABLES

Raw Materials	92,39,431	63,12,700
Raw Materials in Transit	-	-
Finished Goods	14,60,159	21,58,650
Process Stock	6,87,747	32,19,032
<b>Total</b>	<b>1,13,87,337</b>	<b>1,16,90,382</b>

#### 14. INVENTORIES

Unsecured, Considered Good	91,75,000	80,85,000
Capital Advance	4,86,627	2,59,227
Advance Income Tax (Net of Taxation Provision)	3,77,606	-
MAT Credit Entitlement	7,29,128	6,73,919
Electricity & Other Deposits	1,07,68,361	90,18,146
<b>Total</b>	<b>1,07,68,361</b>	<b>90,18,146</b>

#### 13. LONG TERM LOANS & ADVANCES

Investment in Equity Instruments (At Cost) (Unquoted)	1,25,000	1,25,000
1,250 shares of The Bhagyodaya Co-operative Bank Ltd. (Face Value face value Rs 100 each, Fully Paid up)	1,25,000	1,25,000
Investment in Mutual Funds (At Cost)	10,00,000	10,00,000
100,000 SBI Blue Chip Fund of Rs 10/- each	10,00,000	10,00,000
Unquoted Investments	1,25,000	1,25,000
Cost price	10,00,000	10,00,000
Mutual Funds	12,65,630	11,10,000
Repurchase Price	1,25,000	1,25,000
<b>Total</b>	<b>13,25,000</b>	<b>11,25,000</b>

#### 12. NON CURRENT INVESTMENTS

(a) Provision for Employee Benefits:	14,479	17,624
Leave Encashment	1,30,581	26,232
Gratuity	-	-
(b) Provision others:	-	-
Proposed Equity Dividend	38,73,600	6,28,398
Tax on Proposed Equity Dividend	-	-
Tax on Interim Equity Dividend	3,14,196	-
<b>Total</b>	<b>4,59,256</b>	<b>45,40,854</b>

#### 10. SHORT TERM PROVISIONS



# 16. CASH AND CASH EQUIVALENTS

As at 31st Mar 2013	As at 31st Mar 2012
1,01,125	89,054
On Current Accounts	
Deposits with Maturity less than three Months	
Cash On Hand	9,649
<b>Total</b>	<b>99,703</b>

# 17. SHORT-TERM LOANS AND ADVANCES

As at 31st Mar 2013	As at 31st Mar 2012
1,17,023	11,704
Advances to Suppliers	
Unsecured, considered good	
Loans and advances to Others	
Advances to Suppliers	
Prepaid Expenses	
Employee Advances	
Balances with government and other Authorities	
<b>Total</b>	<b>4,35,492</b>

# 18. OTHER INCOME

For the Year Ended on 31st Mar 2013	For the Year Ended on 31st Mar 2012
1,24,695	1,24,695
Interest Received from Bank	
Interest Received from Others	
Dividend Income	
On Non Trade Investments - Investment in Mutual Funds & Others	
Rent Income	
Other Income	
<b>Total</b>	<b>1,24,435</b>

# 19. COST OF MATERIALS CONSUMED

For the Year Ended on 31st Mar 2013	For the Year Ended on 31st Mar 2012
10,56,62,897	12,04,51,209
Opening Stock	
Add : Purchases (Net of Central Credit)	
Less : Closing Stock	
<b>Total</b>	<b>9,64,23,466</b>
CRCA	
PAINTS	
Others	
<b>Total Cost of Materials Consumed</b>	<b>11,41,38,509</b>

# a. Raw Materials consumed in broad heads:

# b. Value of Indigenous and Imported Raw Materials consumed during the year

Value	Percentage	Value	Percentage
17,05,820	0%	9,64,23,466	100%
1%		11,24,32,689	99%

**20. (INCREASE)/DECREASE IN STOCK OF FINISHED GOODS AND PROCESS STOCK**

	For the Year Ended on 31st Mar 2013	For the Year Ended on 31st Mar 2012
<b>(a) Closing Stocks</b>		
Finished Goods	14,60,159	21,58,650
Process Stock	6,87,747	32,19,032
	<u>21,47,906</u>	<u>53,77,682</u>
<b>(b) Less : Opening Stocks</b>		
Finished Goods	21,58,650	62,43,385
Process Stock	32,19,032	28,69,361
	<u>53,77,682</u>	<u>91,12,746</u>
<b>Total</b>	<u><u>32,29,776</u></u>	<u><u>37,35,064</u></u>

**21. MANUFACTURING EXPENSES**

	For the Year Ended on 31st Mar 2013	For the Year Ended on 31st Mar 2012
Power & Fuel	48,70,305	50,12,433
Repairs		
Plant and Machinery	22,18,918	11,59,259
Factory Building	1,14,576	29,461
Wages & Labour Charges	16,46,415	20,98,121
Testing & Other Manufacturing Cost	1,21,92,823	1,14,70,981
Custom Duty provided on stock	(13,035)	(3,45,559)
<b>Total</b>	<u><u>2,10,30,002</u></u>	<u><u>1,94,24,695</u></u>

**22. EMPLOYEE BENEFITS EXPENSES**

	For the Year Ended on 31st Mar 2013	For the Year Ended on 31st Mar 2012
Salaries, Bonus, Gratuity, etc.	58,87,790	57,04,572
Contribution to Provident and other funds	4,72,012	4,52,796
Employee welfare expenses	-	14,708
<b>Total</b>	<u><u>63,59,802</u></u>	<u><u>61,72,076</u></u>

**23. FINANCE COST**

	For the Year Ended on 31st Mar 2013	For the Year Ended on 31st Mar 2012
Interest Expenses	47,88,341	56,29,404
Other Finance Cost	12,85,148	23,66,436
<b>Total</b>	<u><u>60,73,489</u></u>	<u><u>79,95,840</u></u>

**24. OTHER EXPENSES**

	For the Year Ended on 31st Mar 2013	For the Year Ended on 31st Mar 2012
Selling Expenses	-	36,550
Freight & Forwarding Charges	10,45,180	17,48,080
Advertisement Expenses	10,000	20,000
Stationary, Printing, Postage and Telephone Expenses	1,32,686	1,71,107
Repairs Office & Other	30,767	1,08,440
Insurance	2,14,384	3,01,929
Rates and taxes	2,400	11,445
Bank charges	17,554	7,10,790
Travelling Expenses & Conveyance	4,23,275	3,37,848
Legal & Professional Charges	4,98,213	8,22,447
Audit Fees (Refer Note 1 below)	1,25,000	1,25,000
Late delivery charges	1,03,149	1,30,344
Sales Commission	-	5,30,715
Membership & Subscription Fees	75,000	44,500
Sales Tax Expenses	2,51,164	7,38,380
General charges	5,62,897	10,36,898
Provision for Doubtful Debts	-	16,91,217
Custom Duty Expense	8,351	(47,759)
Loss on Sale of Fixed Assets	1,85,697	3,085
After Sales/Replacement Exp	36,832	43,321
Foreign Exchange Gain/(Loss) (Net)	-	73,195
<b>Total</b>	<u><u>37,22,549</u></u>	<u><u>86,39,527</u></u>

**Note:1**

Payments to the auditors comprises (net of service tax input credit, where applicable):

As auditors - statutory audit	1,00,000	1,00,000
For tax audit	25,000	25,000
	<u>1,25,000</u>	<u>1,25,000</u>



Transpara Limited

Note :11

FIXED ASSETS

Sr No	Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK	
		As on 1.4.2012	Additions	Deductions	As on 31.03.2013	As on 1.4.2012	For the Period	Adjustments	As on 31.03.2013	As on 31.03.2013	As on 31.3.2012
1	Land	7,90,084	-	-	7,90,084	-	-	-	-	7,90,084	7,90,084
2	Building	2,96,10,582	18,07,253	-	3,12,17,835	32,65,892	9,71,498	-	42,37,390	2,69,80,445	2,63,44,690
3	Plant & Machinery	2,26,74,899	2,24,28,591	-	4,50,03,490	80,93,258	27,95,595	-	1,08,88,854	3,41,14,736	1,44,81,743
4	Electrifications	40,63,381	15,18,382	-	55,79,723	13,90,007	3,62,813	-	17,52,855	38,27,068	26,73,324
5	Furn & Fixt & Office Equip	20,03,841	-	-	20,03,841	6,70,845	1,20,189	-	7,90,834	12,13,007	13,23,196
6	Computer & Accessories	8,39,773	24,450	38,597	8,25,626	6,16,656	58,658	38,607	5,34,815	91,011	1,23,217
7	Vehicle	38,08,331	-	8,14,382	29,93,949	9,58,892	3,29,587	1,27,381	11,61,078	18,32,871	28,49,439
TOTAL		8,34,90,970	2,65,78,856	8,52,979	8,82,14,647	1,48,85,278	48,30,126	1,65,978	1,93,85,428	6,88,49,221	4,85,95,692
Previous Year		8,12,87,572	22,44,893	41,595	8,34,90,870	1,16,22,713	34,08,892	36,336	1,48,85,278	4,85,05,892	4,87,64,859



## SIGNIFICANT ACCOUNTING POLICIES

### Note 1

1) Accounting Convention :

The accounts are prepared on historical cost basis and based on accrual method of accounting and applicable Accounting Standards.

2) Use of Estimates

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

3) Fixed Assets:

a) Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non-refundable taxes and levies, freight and other incidental expenses related to acquisition and installation of the respective assets.

b) Certain computer software costs are capitalised and recognised as intangible assets in terms of Accounting Standard 26 on intangible assets based on materiality, accounting prudence and significant economic benefits expected to flow therefrom for a period longer than 1 year. Capitalised cost include direct cost of implementation and expenses directly attributable to the implementation.

c) The Company evaluates the impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired the impairment loss is then recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the

4) Depreciation :

a) Depreciation on fixed assets is provided on Straight Line Method in accordance with Section 205 (2) (b) of the Companies Act, 1956 at the rate and in the manner prescribed in schedule XIV of the said Act.

b) Computer software costs capitalised are amortised using the Straight Line Method over estimated useful life of 3 to 5 years, as estimated at the time of capitalisation.

5) Investments :

a) Long Term Investments are stated at cost and provision is made to recognise any diminution in value, other than that of temporary nature.

b) Current investments are carried at lower of cost and market value. Diminution in value is charged to the profit and loss account.

6) Inventories:

a) Raw materials, Process stock and Finished Goods are valued at lower of cost or net realisable value.

b) Cost for Raw materials is determined on Weighted Average/FIFO basis, net of cenvat credit availed.

c) Cost for Finished Goods and Process Stock is determined taking material cost [Net of cenvat credit availed] labour and relevant appropriate overheads and cenvat duty.

7) Revenue Recognition

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

8) Sales/Service Income:

Sales of products are recognised when risk and rewards of ownership of the products are passed on to the customers, which is generally on despatch of goods.

9) Cenvat credit:

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







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

16) **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.

15) **Leases** Lease transaction entered into on or after April 1, 2001:  
a) Assets acquired under lease where the company has substantially all risk and rewards incidental to ownership are classified as finance leases. Such assets are capitalised at the inception of lease at the lower of fair value or the present value of minimum lease payment and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability of each period.  
b) Assets acquired on lease where a significant portion of risk and rewards incidental to ownership is retained by the lessor are classified as operating lease. Lease rental are charged to the profit and loss account on accrual basis..

14) **Taxes on Income:** Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with provision of Income Tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or subsequently enacted as on the balance sheet date. The Deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

13) **Miscellaneous Expenditure:** a) Shares issue expenses incurred are amortised over a period of five years.

12) **Borrowing Cost** Interest and other costs in connection with the borrowings of the funds to the extent related/attributed to the acquisition /construction of qualifying fixed assets are capitalised upto the date when such assets are ready for their intended use and other borrowing costs are charged to Profit And Loss Account.

b) **Defined Benefit Plan** The Company's liabilities towards gratuity, and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognised immediately in the profit and loss account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

11) **Employees Benefits:** a) **Defined Contribution Plan** The Company's contributions paid / payable for the year to Provident Fund are recognised in the profit and loss accounts.

10) **Prior Period Expenses/Income:** Material items of prior period expenses/income are disclosed separately.

**NOTE 25: NOTES FORMING PART OF ACCOUNTS**

**1. Contingent liabilities in respect of:**

Particulars	As at 31st Mar. 2013	As at 31st Mar. 2012
Bills Discounted with Banks	NIL	2830311

2. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for Rs. 33.69 Lacs [Previous year Rs. 43.69 Lacs].

3. Tax assessment of the company under Income Tax Act 1961, has been completed up to Financial Year 2008-09 and the sales tax assessment up to Financial Year 2008-09.

**4. Employee Benefits**

Defined Benefit Plans :

Particulars	Gratuity	Leave Encashment
	2012-13	2011-12
	2012-13	2011-12

**i. Expenses recognized in Profit & Loss Account for the year**

Current service cost	109821	102548	29580	42773
Interest Cost	63857	35987	20125	31188
Expected return on plan assets	(49734)	(40128)	-	-
Adjustment	-	-	-	-
Net actuarial losses (gains)	(44204)	11891	23961	(186966)
Past service cost	-	227415	-	-
<b>Total Expenses</b>	<b>79740</b>	<b>337712</b>	<b>73666</b>	<b>(113004)</b>

**ii Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit Obligation**

Opening defined benefit obligation	751262	423371	238205	366922
Service cost	109821	102548	29580	42773
Interest cost	63857	35987	20125	31188
Actuarial losses (gains)	(44204)	11891	23961	(186966)
Past service cost	-	227415	-	-
Losses (gains) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Benefits paid	-	(49,950)	(2885)	(15712)

**Closing defined benefit obligation** 880736 751262 308986 238205

**iii Reconciliation of Opening and Closing balances of changes in fair value of plan assets**

Opening fair value of plan assets	510031	421835	-	-
Adjustment	(4931)	-	-	-
Expected return on plan assets	49734	40128	-	-
Actuarial gains and (losses)	-	-	-	-



Assets distributed on settlements	-	-	-	-
Contributions by employer	95000	98018	-	-
Benefits paid	-	(49,950)	-	-
<b>Closing balance of fair value of plan assets</b>	<b>649834</b>	<b>510031</b>	<b>-</b>	<b>-</b>
<b>iv Net Liability recognized in the Balance Sheet</b>				
Defined Benefit Obligation	880736	751,262	308986	238205
Fair Value of plan assets	649834	510031	-	-
Present Value of unfunded obligation recognized as liability	230902	241230	308986	238205
<b>v. Past year data for define benefit obligation and fair value of plan assets are as under:</b>				
	<b>2011-2012</b>	<b>2010-2011</b>	<b>2009-2010</b>	<b>2008-2009</b>
<b>Gratuity</b>				
Defined Benefit Obligation	751262	423371	330563	356810
Fair value of plan assets	510031	421835	431011	196144
Present Value of unfunded obligation recognized as liability	<b>241230</b>	<b>1536</b>	<b>(100448)</b>	<b>160666</b>
<b>Leave Encashment</b>				
Defined Benefit Obligation	238205	366922	279415	337843
Fair value of plan assets	-	-	-	-
Present Value of unfunded obligation recognized as liability	238205	366922	279415	337843
<b>VI Actual Return On Plan Assets</b>	-	-	-	-
<b>vii Major categories of Plan Assets as a Percentage of total plan assets are as follows:</b>				
Policy of Insurance	100%	100%	100%	
<b>vii Actuarial Assumptions</b>				
	<b>As at 31st Mar 2013</b>			
Discount Rate	8 %			
Expected rate of return on plan assets	9% Based on LIC Structure of interest rates on gratuity funds			
Expected rate of salary increase	6 %			
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			

**B) Defined Contribution Plans :**

Rs. 401,141 (Previous Year Rs. 393,009) recognised as an expense and included in the Schedule 15 of Profit and Loss Account under the head "Contribution to Provident and other funds".



5. Earning Per Share:

Particulars		For the year ended on 31st March 2013	For the year ended on 31st March 2012
Net Profit for the period (Rs.)	(a)	10099969	9440818
Weighted Average number of equity shares	(b)	1936800	1936800
EPS (Basic & Diluted)	(a) / (b)	5.21	4.87
Nominal value of Equity Shares		10	10

6. Components of Deferred Tax Liability are as under:

	As at 31st Mar 13	As at 31st Mar 12
(A) Deferred Tax Liability:		
Difference between book and tax depreciation	7954078	5482448
(B) Deferred Tax Assets		
Disallowance under Income Tax, 1961	1871105	1851491
<b>Net Deferred Tax Liability (A)-(B)</b>	<b>6082973</b>	<b>3630957</b>

7. Segment Reporting

The company is in the business of Pressed Steel Radiators. In the context of Accounting Standard 17, on Segment Reporting issued by Institute of Chartered Accountant of India, is considered to constitute one single primary segment.

8. Related party transactions:

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

1. Related party transactions :

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

Sr. No.	Nature of Relationship	Name of Related Parties
1	Holding Company	Transformer & Rectifiers (India) Limited
2	Fellow Subsidiary Company	Transweld Mechanical Engineering Works Ltd
3	Key Management Personnel	Mr. Hitendra M. Doshi



(b) Details of transactions with related parties:

(Amount in Rs.)

Particulars	2012-2013	2011-2012
-------------	-----------	-----------

(A) Volume of Transactions

1) Service Rendered

Holding Company		
Transformers & Rectifiers (India) Limited	115644	137300

1) Service Availed

Holding Company		
Transformers & Rectifiers (India) Limited	-	247500

2) Purchase of Goods

Holding Company		
Transformers & Rectifiers (India) Limited	7079	7358

Fellow Subsidiary Company		
Transweld Mechanical Engineering Works Limited	5899	3197

3) Purchase of Capital Goods

Holding Company		
Transformers & Rectifiers (India) Limited	1215173	-

Fellow Subsidiary Company		
Transweld Mechanical Engineering Works Limited	602249	400257

4) Sale of Goods

Holding Company		
Transformers & Rectifiers (India) Limited	169447494	159152882

Fellow Subsidiary Company		
Transweld Mechanical Engineering Works Limited	82769	17940

5) Managerial Remuneration

Key Management Personnel		
Mr. Hitendra M. Doshi	2297000	2298117

6) Dividend Paid

Holding Company		
Transformers & Rectifiers (India) Limited	987768	1975536

Key Management Personnel		
Mr. Hitendra M. Doshi	948132	1896264



(B) Balance at the end of the period

1) Due from

Holding Company

Transformers & Rectifiers (India) Limited

84889879

57423087

9. C.I.F. Value of Imports:

Particulars	(In Rupees)	
	For the year ended on 31 <sup>st</sup> March 2013	For the year ended on 31 <sup>st</sup> March 2012
Raw Materials	-	1705820

10. The Company is in process of compiling relevant information from its suppliers about their coverage under the "Micro, Small and Medium Enterprises Development Act, 2006". Since the relevant information from vendors is still not available, no disclosure have been made in the accounts. In the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

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

For Deloitte Haskins & Sells  
Chartered Accountants



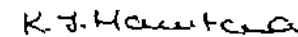
Gaurav J. Shah  
Partner

Ahmedabad

Date: 22<sup>nd</sup> April, 2013



Hitendra M. Doshi  
Director



Karunaben J. Mamtara  
Director

Ahmedabad

Date: 22<sup>nd</sup> April, 2013

TRANSPARES LIMITED						
Regd. Office :14/15, Ashwamegh Industrial Estate, Sarkhej Bavia Highway, Changodar, Ahmedabad						
STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED ON MARCH 31, 2013						
(Rs. In Lacs)						
PART I	Quarter Ended			Year Ended		
Sr. No.	Particulars	31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
		(Unaudited)		(Audited)		
1	Income from operations					
	(a) Net Sales/ Income from Operations	606.81	448.33	517.54	1,562.88	1,755.12
	(Net of excise duty)					
	(b) Other Operating Income	3.10	1.48	6.21	6.39	11.88
	Total Income from operations (net)	609.91	449.81	523.75	1,569.27	1,767.01
2	Expenses					
	a. Cost of materials consumed	378.22	191.34	260.51	964.23	1,141.39
	b. Purchase of stock-in-trade	-	-	-	-	-
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	51.86	95.87	87.88	32.30	37.35
	d. Employee benefits expense	24.51	13.70	20.66	63.60	61.72
	e. Depreciation and amortisation expense	18.96	9.31	8.35	46.36	34.09
	f. Other Expenses	35.44	65.77	91.90	247.53	280.64
	Total Expenses	508.99	375.99	469.30	1,354.02	1,555.19
3	Profit/(Loss) from Operations before Other Income, finance costs and exceptional items (1-2)	100.92	73.82	54.45	215.25	211.82
4	Other Income	-	-	-	-	-
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	100.92	73.82	54.45	215.25	211.82
6	Finance Costs	17.12	14.55	17.76	60.73	79.96
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5+6)	83.80	59.27	36.69	154.52	131.86
8	Exceptional Items	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before Tax (7+8)	83.80	59.27	36.69	154.52	131.86
10	Tax Expenses	30.99	17.62	2.16	53.52	37.45
11	Net Profit/(Loss) from Ordinary Activities after Tax (9-10)	52.81	41.65	34.53	101.00	94.41
12	Extraordinary Items	-	-	-	-	-
13	Net Profit/(Loss) for the Period (11+12)	52.81	41.65	34.53	101.00	94.41
14	Share of profit/(loss) of associates					
15	Minority Interest					
16	Net Profit/(Loss) after taxes, minority interest and share of profit/(loss) of associates (13+14+15)					
17	Paid-up equity share capital (Rs 10/- per share)	193.68	193.68	193.68	193.68	193.68
18	Reserves (excluding revaluation reserve)					622.12
19	Earning Per Share (EPS)					
	i) Basic & Diluted EPS before extra ordinary items	2.73	2.15	1.78	5.21	4.87
	ii) Basic & Diluted EPS after extra ordinary items	2.73	2.15	1.78	5.21	4.87

PART II						
A	PARTICULARS OF SHAREHOLDING					
1	Public Shareholding					
	- No. of Shares					-
	- Percentage of Shareholding					-
2	Promoters and Promoter group Shareholding					
	a) Pledged/Encumbered					
	- Number of Shares					-
	- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)					-
	- Percentage of Shares (as a % of the total share capital of the Company)					-
	b) Non-encumbered					
	- Number of Shares	1936800	1936800	1936800	1936800	1936800
	- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	100%	100%	100%	100%	100%
	- Percentage of Shares (as a % of the total Share capital of the Company)	100%	100%	100%	100%	100%

**Notes:**

- The above results have approved by the Board of Directors at its meetings held on April 22, 2013
- The Board of Directors have recommended 10% Interim dividend i.e. Rs. 1/- per share for the year ended March 31,
- Figures of the previous year/period have been regrouped, wherever necessary

*H.M. Doshi*

Place : Ahmedabad  
Date : 22nd April, 2013

Hitendra M. Doshi  
Chairman

**TRANSPARES LIMITED**  
Regd. Office :14/15, Ashwamegh Industrial Estate, Sarkhej Bavl Highway, Changodar, Ahmedabad

**STATEMENTS OF ASSETS AND LIABILITIES**

Particulars		As at 31 March, 2013	As at 31 March, 2012
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	Shareholders' funds		
	(a) Share capital	1,93,68,000	1,93,68,000
	(b) Reserves and surplus	7,00,60,557	6,22,11,583
	<b>Sub-total - Shareholders' funds</b>	<b>8,94,28,557</b>	<b>8,15,79,583</b>
2	Non-current liabilities		
	(a) Long-term borrowings	-	15,60,000
	(b) Deferred tax liabilities (net)	60,82,973	36,30,957
	(c) Other long-term liabilities	-	-
	(d) Long-term provisions	3,94,828	4,40,579
	<b>Sub-total - Non-current liabilities</b>	<b>64,77,801</b>	<b>56,31,536</b>
3	Current liabilities		
	(a) Short-term borrowings	3,55,56,381	3,38,93,614
	(b) Trade payables	4,85,33,524	3,49,37,400
	(c) Other current liabilities	35,31,548	70,70,527
	(d) Short-term provisions	4,59,256	45,40,854
	<b>Sub-total - Current liabilities</b>	<b>8,80,80,709</b>	<b>8,04,42,396</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>18,39,87,067</b>	<b>16,76,53,515</b>
<b>B</b>	<b>ASSETS</b>		
1	Non-current assets		
	(a) Fixed assets	6,88,49,222	6,87,95,786
	(b) Non-current investments	11,25,000	11,25,000
	(c) Deferred tax assets (net)	-	-
	(d) Long-term loans and advances	1,07,68,361	90,18,146
	(e) Other non-current assets	-	-
	<b>Sub-total - Non-current assets</b>	<b>8,07,42,583</b>	<b>7,89,38,932</b>
2	Current assets		
	(a) Current investments	1,13,87,337	1,16,90,382
	(b) Inventories	9,12,79,576	7,64,90,006
	(c) Trade receivables	1,08,866	98,703
	(d) Cash and cash equivalents	4,68,705	4,35,492
	(e) Short-term loans and advances	-	-
	(f) Other current assets	-	-
	<b>Sub-total - Current assets</b>	<b>10,32,44,484</b>	<b>8,87,14,584</b>
	<b>TOTAL ASSETS</b>	<b>18,39,87,067</b>	<b>16,76,53,515</b>

**Notes:**

- 1 The above results have approved by the Board of Directors at its meetings held on April 22, 2013.
- 2 The Board of Directors have recommended 10% Interim dividend i.e. Rs. 1/- per share for the year ended March 31, 2013.
- 3 Figures of the previous year/period have been regrouped, wherever necessary.

Place : Ahmedabad  
Date : 22nd April, 2013

*H. M. Doshi*  
Hitendra M. Doshi  
Chairman