

TRANSWELD MECHANICAL ENGINEERING WORKS LIMITED

18th ANNUAL REPORT 2012-2013

Board of Directors

Mr. Satyen Mamtora	Chairman
Mr. Mahendra Vyas	Director
Mr. Sureshchandra Agarwal	Director

Bankers

IDBI Bank & State Bank of India
Ahmedabad

Auditors

D. R. Thakkar & Co.
Chartered Accountants,
Ahmedabad

Registered office/ Plant

44-C, Ashwamegh Industrial Estate,
Changodar,
Taluka - Sanand,
Dist. Ahmedabad-382213
Gujarat

NOTICE

NOTICE is hereby given that 18th Annual General Meeting of the Members of Transweld Mechanical Engineering Works Limited, will be held on Thursday, 25th day of July, 2013 at 11.00 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 appoint a director in place of Mr. Mahendra Vyas, who retire by rotation and being eligible, offer himself for re-appointment.
3. To appoint Auditors of the Company and fix their remuneration.

SPECIAL BUSINESS

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

Appointment of Mr. Sureshchandra Agarwal as Director

"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."

5. To Consider and if thought fit, to pass with or without modifications the following resolution as Special Resolution

For approval of ratification and confirm the payment of excess remuneration made to Mr. Satyen Mamtara, Managing Director (presently as Director) of the Company and for Waiver of Recovery of Excess Remuneration paid to him for the Financial year 2012-2013 subject to approval of Central Government.

"RESOLVED THAT pursuant to Provisions of section 198, 309 and other applicable provisions, if any of the Companies Act, 1956 and subject to approval of the Central Government and subject to such other consents and approvals as may be necessary, the Company hereby ratifies and confirms the payment of excess remuneration made to Mr.

Satyen Mamtara, Managing Director (presently as Director) of the Company amounting to Rs. 23.00 lacs, over and above limits prescribed under Section 309 read with Schedule XIII to the Companies Act, 1956, for the Financial year ended on 31st March, 2013 i.e., for a period from 1st April, 2012 to 31st March, 2013 such amount as approved by the central Government, resulting from inadequacy of profits for the above financial year."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 309(5A) & (5B) and other applicable Provision, if any of the Companies Act, 1956 and subject to approval of the Central Government, consent of the Members, be and is hereby accorded for waiver of recovery of excess remuneration of Rs. 23.00 Lacs paid during the Financial Year starting from 1st April, 2012 to 31st March, 2013 or such amount as approved by the Central Government from Mr. Satyen Mamtara, Managing Director (presently as Director) of the Company."

"RESOLVED FURTHER THAT for giving effect to the aforesaid resolution, the Director(s) of the Company be and are hereby severally authorized to do all such acts, deeds, and things and matters including but not limited to the appointment of advisor(s)/consultants(s)/, authorizing any other person to furnish such information/clarifications/declaration, submission, determination of amount of excess remuneration and to file and submit the requisite forms and documents to the concerned authorities, departments, connected with respect to the aforesaid matters or any other matter incidental thereto."

6. 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. Satyen Mamtara, Director of the Company in consultation with Mr. Tapan Shah."

Date: 22nd April, 2013
Place: Ahmedabad

Registered Office
44-C, Ashwamegh Industrial Estate,
Changodar, Ta. Sanand,
Ahmedabad-382213

On behalf of Board of Director



Satyen Mamtara
Chairman

Notes:

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must reach the registered office of the Company not less than 48 hours before the time fixed for the meeting.
- 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. 4

Mr. Sureshchandra Agarwal, was appointed as an additional director on the board of directors of the company on August 8, 2012 he hold the office as Directors 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 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. 5

The Members of the Company at the seventeenth Annual General Meeting held on 27th April, 2012 had passed a Special Resolution for appointment and payment of remuneration to Mr. Satyen Mamtora as Managing Director for a period of 5 years w.e.f. 16th April, 2012 with payment of remuneration upto Rs.2,00,000 /- (Rupees Two lacs only) per month [including salary, perks, commission, incentive and other benefits including contribution to Provident Fund, Superannuation Fund, Annuity Fund, Gratuity Fund (including any unfunded retirement benefits as per the rules of the Company), overseas medical leave encashment etc.)].

Mr. Satyen Mamtora is also acting as a Managing Director in Transformers & Rectifiers (India) Limited and drawing remuneration from that company, within the limit prescribed under Schedule XIII of the Act. Under Section III, Part II of the Schedule XIII of the Act, if a person is acting and holding managerial position in two companies, the total remuneration drawn from both the Companies does not exceed the higher maximum limit admissible from any one of the companies of which he is a managerial person.

Mr. Satyen Mamtara has already drawn maximum remuneration from Transformers & Rectifiers (India) Limited and so he can not draw any remuneration from the Company. However, he has drawn Rs. 23 Lacs from the Company during the Financial year 2012-13, which is over and above the limits prescribed under Section III, Part II of schedule XIII of the Act. Thus excess remuneration paid to Mr. Satyen Mamtara was Rs.23,00,000/- for the Financial year 2012-13 (from 16th April, 2012 to 31st March, 2013).

Considering significant contribution made by Mr. Satyen Mamtara for development of business of the Company, your Directors are of the opinion that the waiver of recovery of excess remuneration paid to Mr. Satyen Mamtara is justified and in the best interest of the Company.

The above mentioned terms and conditions shall be deemed to be an abstract under section 302 of the Companies Act, 1956.

None of the Directors except Mr. Satyen Mamtara is interested in the Resolution.

The Board recommends this resolution for your approval.

I. GENERAL INFORMATION:

(i) Nature of industry: The Company is manufacturing of Transformer tanks.

(ii) Date of commencement of commercial production: The Company has commenced its business in the year 1995.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable

(iv) Financial performance: Based on the Audited financial results for the last 2 years:-

Particulars	(Rs. In Lacs)	
	2012-2013	2011-2012
Total Revenue	1061.16	1545.75
Profit before Depreciation, Fin. Exp. & Tax	42.19	96.88
Depreciation, Fin. Expenses & Tax	23.99	37.82
Net Profit after Tax	18.20	59.06
Paid up Share Capital	25.00	25.00
Reserves & Surplus	42.193	40.374

(v) Export performance and net foreign exchange collaborations: NIL

(vi) Foreign investments or collaborators, if any: NIL

Taking into consideration the size of the Company, the profile of the Managing Director and the responsibilities shouldered by him and the industry benchmarks, the remuneration drawn by Mr. Satyen Mamtora is much below the line, compare to remuneration packages paid to similar senior level person in other Companies.

(vii) Pecuniary relationship(s) directly or indirectly with the Company, Co-relationship with the managerial personnel, if any:

Besides the remuneration paid to Mr. Satyen Mamtora, he does not have any pecuniary relationship with the Company. However, he is acting as a promoter Director, designated as a Managing Director in the holding company, namely Transformers & Rectifiers (India) Limited.

III. OTHER INFORMATION:

(i) Reasons of loss or inadequate profits:

During the year margin has substantially decrease on account of increase in cost of raw material, reduction in activity of company leading to reduction in turnover by 31%.

(ii) Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

The Company has reduced its cost to improve the margins and profits.

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

The Company is expecting Turnover of around Rs. 15 to Rs.20 Crores over next Two years depending on overall market scenario and Transformer Industry.

(iv) Disclosures:

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the earlier resolution, as approved by the members as stated above.

Further, as recommended by the Remuneration committee, Board of Directors at its meeting held on April 22, 2013, have ratified, confirmed and approved, subject to approval of the Members and Central Government, the payment of excess remuneration.

Accordingly, an application is proposed to be filed with the Central Government for its approval for waiver of recovery of excess remuneration of Rs. 23.00 lacs paid to Mr. Satyen Mamtora for the Financial Year 2012-13 i.e. from 16th April, 2012 to 31st March, 2013.

Accordingly, the resolution at Item no. 5 is to obtain the consent of the Members by way of Special Resolution for this purpose.

The above proposal is in the interest of the Company and the Directors recommend the Resolution at Item No. 5 of the Notice for approval by the Members.

II. INFORMATION ABOUT THE APPOINTEE:

(i) Background details:

Name of Director	Mr. Satyen Mamtora
Designation	Managing Director (Presently as Director)
Education	Diploma holder in Electrical Engineering
Past Experience	Mr. Satyen Mamtora holds Diploma holder in Electrical Engineering, from Uxbridge College of Engineering, London-UK. He has a ten year association with the organization and has been trained by rotation in all key functional areas of the organization. Currently, he spearheads the production and marketing division and has played a key role in consolidating the organization's presence. Mr. Satyen Mamtora is a lifetime member of IEEMA. He is also acting as Managing Director in Transformers & Rectifiers (India) Limited.

(ii) Past remuneration during the last two financial years:

Financial Years	Remuneration (Amt. in lacs)
2011-12	NIL
2012-13	23.00

(iii) Recognition or Awards: Nil

(iv) Job Profile and their suitability:

Mr. Satyen Mamtora, Managing Director has been taking care of production and marketing division and has played a key role in consolidating the organization's presence in the transformer tanks.

(v) Remuneration drawn/proposed:

Mr. Satyen Mamtora was appointed as Managing Director, w.e.f. 16th April, 2012, with the remuneration terms and conditions, as approved by the member's in AGM held on 27/04/2012. Against approved limit of Rs.24 Lacs p.a., he has taken Rs.23 Lacs p.a. for FY. 2012-13. He has been appointed as Director, w.e.f. 1st April, 2013, without any remuneration.

(vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Mr. Satyen Mamtora, himself is concerned or interested in the resolution and no other Directors are interested in this resolution at item No.5 of this Notice.

ITEM NO. 6

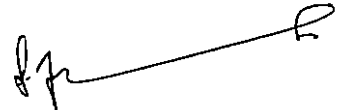
As per the section 383A(1) of the Companies Act, 1956, every company not required to employ a whole-time secretary and having a paid-up capital of Rs.10 lacs and more shall require to obtain Compliance Certificate from a practicing company secretary, every year. This Certificate shall be attached to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

Date: 22nd April, 2013
Place: Ahmedabad

On behalf of Board of Directors



Registered Office
44-C, Ashwamegh Industrial Estate,
Changodar, Ta. Sanand,
Ahmedabad

Satyen Mamtora
Chairman

DIRECTORS' REPORT

To
The Members
Transweld Mechanical Engineering Works Limited
Ahmedabad

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

	(Rs. In Lacs)	
Financial Results	2012-2013	2011-2012
Net Revenue form Operation	1056.47	1544.75
Other Income	4.69	1.00
Total Revenue	1061.16	1545.75
Cost of Raw Material Consumed	743.20	911.71
Manufacturing Expenses	347.76	361.34
(Increase)/Decrease in Inventories of Finished Goods and Process Stock	-155.97	120.17
Employee Benefit Expense	32.76	10.68
Finance Cost	3.13	0.56
Depreciation & Amortization	12.76	10.90
Other Expenses	51.23	44.97
Total Expenses	1034.87	1460.33
Profit/(Loss) before tax	26.29	85.42
Tax Expenses	8.09	26.36
Profit/(Loss) after tax	18.20	59.06

Results of Operation

During the year margin has substantially decrease on account of increase in cost of raw material, reduction in activity of company leading to reduction in turnover by 31%. Overhead has marginally increased leading to decrease in margin. The total turnover for the year, stood at Rs. 1061.16 Lacs as against Rs.1545.75 Lacs last year. The Company earned Profit before Tax of Rs. 26.29 Lacs, which is lower as compared to 85.42 Lacs of last year. The net Profit after Tax stood at Rs. 18.20 Lacs as against Rs. 59.06 Lacs of the last year.

Dividend

Your directors considered it prudent to conserve the resources of the company to sustain future growth and as such have not recommended any dividend for the year 2012-2013.

Finance

The State Bank of India has played a proactive role in the growth of our company.

Directors

Mr. Mahendra Vyas retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment in accordance with the provisions of the Articles of Association of the company.

The Board at its meeting held on 22nd April, 2013 has decided to change designation of Mr. Satyen Mamtara from Managing Director to Director of the Company, w.e.f. 1st April, 2013, without any remuneration. Further, members approval is sought for the waiver of excess remuneration paid to Mr. Satyen Mamtara in the FY. 2012-13 of Rs.23 Lacs.

Mr. Sureshchandra Agarwal was appointed as an Additional Director of the Company with effect from 8th August, 2012. His term 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.

Mr. Michael Homawala, has resigned from the Board as a Director with effect from 8th August, 2012. The Board appreciates the contribution made by him for development and growth of the Company, during his tenure.

Remuneration Committee

The Board of Directors has formed the Remuneration Committee in the Board meeting dated 16th April, 2012. The said Committee was reconstituted after resignation of Mr. Michael Homawalla w.e.f. 8th August, 2012. The Committee comprises of 3 directors namely Mr. Sureshchandra Agarwal, Mr. Satyen Mamtara and Mr. Mahendra Vyas.

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 Mr. Tapan Shah, Company 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. D. R. Thakkar & Co., Chartered Accountants, Ahmedabad, the auditors of the Company, hold their office until the conclusion of the ensuing Annual General Meeting, and are recommended for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956. You are requested to re-appoint 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: 22nd April, 2013
Place: Ahmedabad

On behalf of the Board of Directors



Satyen Mamtara
Chairman

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 and Technology Absorption:-

There was no major step taken for conservation of energy during the year.

Power and Fuel Consumption: -

Electricity:

Particulars	2012-2013	2011-2012
Total Consumptions in Units	5019429 Units	355812 Units
Total Cost	Rs 2149824/-	Rs. 2281945 /-
Cost per Unit	Rs 4.22 Units	Rs. 6.41/ Units

(2) Research & Development and Technology absorption:-

The Company has not taken any technology in particular or entered into any technology agreement during the period. During the year, no further development is done for research.

(3) Foreign Exchange Earnings & Outgo:-

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

Office : B-102, Adhunik Apartment, 58, Pritamnagar Society, Ellisbridge, Ahmedabad - 380 006.
Phone : (O) 079-26441029, 26461979 Resi. : 26754852

Independent Auditor's Report

To ,

The Members of ,

Transweld Mechanical Engineering Works Ltd.

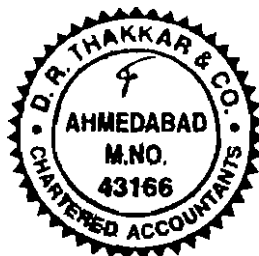
Ahmedabad.

We have audited the accompanying financial statements of **Transweld Mechanical Engineering Works Ltd** ("the Company"), which comprise the Balance Sheet as at **March 31, 2013**, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected 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



D. R. THAKKAR & CO.
CHARTERED ACCOUNTANTS



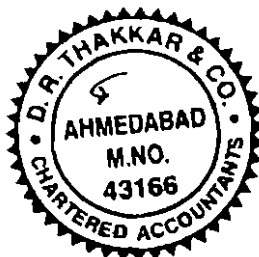
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internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at **March 31, 2013**;
 - b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in 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 purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.



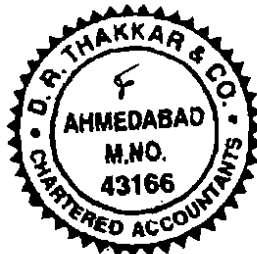
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- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on **March 31, 2013**, and taken on record by the Board of Directors, none of the directors is disqualified as on **March 31, 2013**, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place : Ahmedabad
Date : 22nd April, 2013.



For, D.R. Thakkar & Co.
Chartered Accountants

[Dipak R. Thakkar]
PROPRIETOR
M.NO. 43166
Firm Regn.No. 110895W

D. R. THAKKAR & CO.

CHARTERED ACCOUNTANTS



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The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Transweld Mechanical Engineering Works limited on the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

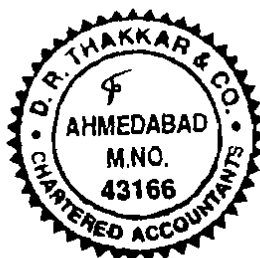
1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been 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 are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured



D. R. THAKKAR & CO.
CHARTERED ACCOUNTANTS



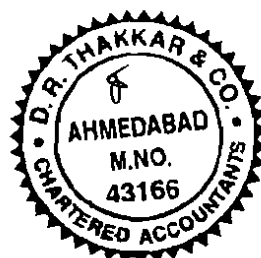
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or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.



D. R. THAKKAR & CO.

CHARTERED ACCOUNTANTS

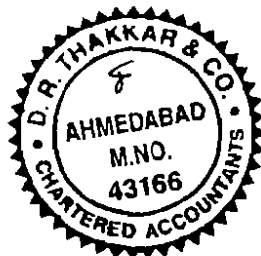


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Phone : (O) 079-26441029, 26461979 Resi. : 26754852

8. As informed to us the company is not required to maintain the cost records pursuant to rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act.
9. (a) According to the records of the company, undisputed statutory 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 to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on **31st of March, 2013** for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



D. R. THAKKAR & CO.

CHARTERED ACCOUNTANTS



Office : B-102, Adhunik Apartment, 58, Pritamnagar Society, Ellisbridge, Ahmedabad - 380 006.
Phone : (O) 079-26441029, 26461979 Resi. : 26754852

13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.



D. R. THAKKAR & CO.

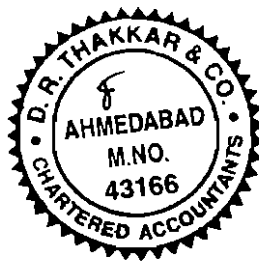
CHARTERED ACCOUNTANTS



Office : B-102, Adhunik Apartment, 58, Pritamnagar Society, Ellisbridge, Ahmedabad - 380 006.
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21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

Place : Ahmedabad
Date : 22nd April, 2013.



For, D.R. Thakkar & Co.
Chartered Accountants

[Dipak R. Thakkar]
PROPRIETOR
M.NO. 43166
Firm Regn.No. 110895W

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	As at 31.03.2013 (Amount in Rs.)	As at 31.03.2012 (Amount in Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	2,500,000	2,500,000
(b) Reserves and Surplus	3	42,193,219	40,373,533
(2) Share Application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	4	2,826,361	2,533,602
(b) Trade Payable	5	82,741	-
(4) Current Liabilities			
(a) Trade Payables	6	21,952,763	12,909,793
(b) Short Term Borrowing	7	2,379,095	-
(b) Other Current Liabilities	8	2,213,077	858,882
(c) Short-Term Provisions	9	1,589,189	4,037,516
Total Equity & Liabilities		75,736,445	63,213,326
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	27,461,654	19,202,728
(ii) Capital Work in Progress		1,125,291	3,443,028
		28,586,945	22,645,756
(b) Long term Loans and Advances	11	902,514	1,133,069
(c) Trade Receivables	12	233,899	252,754
(2) Current Assets			
(a) Inventories	13	37,508,335	11,777,142
(b) Trade Receivables	14	3,442,573	22,680,433
(c) Cash and Cash Equivalents	15	4,102,454	4,241,428
(d) Short-Term Loans and Advances	16	878,710	420,284
(e) Other Current Assets	17	81,015	62,460
Total Assets		75,736,445	63,213,326

NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

Notes attached thereto form an integral part of Financial Statements

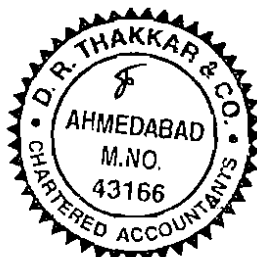
This is the Balance Sheet referred to in our Report of even date.

FOR, D.R. THAKKAR & Co.

CHARTERED ACCOUNTANTS

(CA. DIPAK R. THAKKAR)
FCA, PROPRIETOR
Membership No.: 043166
Firm Reg. No.: 110895W

PLACE : AHMEDABAD
DATE : 22ND APRIL, 2013.



1 - 28

1

FOR & Behalf of Board of

Transweld Mechanical Engineering Works Ltd.

[Sajen J. Mamora]
DIRECTOR

[Mahendra S. Vyas]
DIRECTOR

PLACE : AHMEDABAD
DATE : 22ND APRIL, 2013.

Transweld Mechanical Engineering Works Ltd.

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2013

Sr. No	Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
			(Amount in Rs.)	(Amount in Rs.)
I	Revenue from Operations	18	105,647,155	154,475,370
II	Other Income	19	469,274	99,889
III	III. Total Revenue (I + II)		106,116,429	154,575,259
IV	Expenses:			
	Cost of Materials Consumed	20	74,319,720	91,170,915
	Manufacturing Expenses	21	34,775,757	36,134,075
	Changes in Inventories of Finished Goods, Work-in-Progress	22	(15,597,138)	12,017,230
	Employee Benefit Expenses	23	3,276,335	1,068,039
	Financial Costs	24	312,652	56,260
	Depreciation and Amortization Expense	25	1,276,464	1,089,948
	Other Expenses	26	5,123,150	4,497,285
	Total Expenses (IV)		103,486,940	146,033,752
V	Profit before Exceptional and Extraordinary Items and Tax	(III - IV)	2,629,489	8,541,508
VI	Exceptional Items			-
VII	Profit before Extraordinary Items and Tax (V - VI)		2,629,489	8,541,508
VIII	Extraordinary Items			-
IX	Profit Before Tax (VII - VIII)		2,629,489	8,541,508
X	Tax expense:			
	(1) Current tax		555,000	2,511,000
	(2) Short \ (Excess) Provision of Taxation of Earlier Years		(37,956)	(7,725)
	(3) Deferred tax		292,759	132,274
XI	Profit(Loss) from the year from Continuing Operations	(IX - X)	1,819,686	5,905,959
XII	Profit/(Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discounting Operations		-	-
XIV	Profit/(Loss) from Discontinuing Operations (XII - XIII)		-	-
XV	Profit/(Loss) for the Year (XI + XIV)		1,819,686	5,905,959
XVI	Earning per Equity Share:	27		
	(1) Basic		7	24
	(2) Diluted		7	24

NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

Notes attached thereto form an integral part of Financial Statements

This is the Statement of Profit & Loss referred to in our Report of even date.

FOR, D.R. THAKKAR & Co.

CHARTERED ACCOUNTANTS

(CA. DIPAK R. THAKKAR)

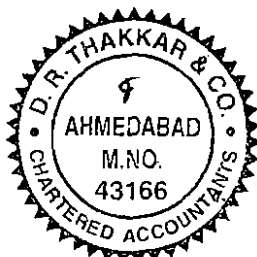
FCA, PROPRIETOR

Membership No.: 043166

Firm Reg. No.: 110895W

PLACE : AHMEDABAD

DATE : 22ND APRIL, 2013.



1 - 28

1

FOR & Behalf of Board of

Transweld Mechanical Engineering Works Ltd.

[Satyen J. Mamtara]
DIRECTOR

[Mahendra S. Vyas]
DIRECTOR

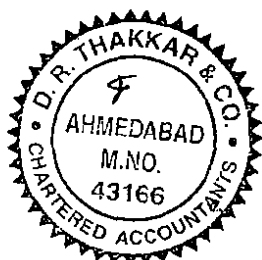
PLACE : AHMEDABAD

DATE : 22ND APRIL, 2013.

Transweld Mechanical Engineering Works Ltd.

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

PARTICULARS	2012-2013		2011-2012	
		TOTAL		TOTAL
		(Amount in Rs.)		(Amount in Rs.)
(A) Cash Flow From Operating Activities				
Net profit before tax		2,629,489	-	8,541,508
Adjustments for:				
Interest Income	(469,274)		(86,197)	
Depreciation	1,276,464		1,089,948	
Finance Charges	312,652		56,260	
		1,119,842		1,060,011
Operating Profit before Working capital changes		3,749,330		9,601,519
Movements in Working Capital:				
Change in Long Term Loans and Advances	1,000		2,200	
Change in Non Current Trade Receivables	18,855		(252,754)	
Change in Other non Current Assets			(38,889)	
Change in Inventories	(25,731,193)		21,766,219	
Change in Trade Receivables (Current)	19,237,861		(22,168,970)	
Change in Short Term Loans and Advances	(458,426)		205,587	
Change in Other Current Assets	(302,573)		5,200	
Change in Trade Payable (Non Current)	82,741		-	
Change in Trade Payables (Current)	9,042,970		2,421,311	
Change in Short Term Borrowing	2,379,095		-	
Change in Short Term Provisions	15,588		(2,437,188)	
Change in Other Liabilities	1,354,195	5,640,113	11,037	(486,247)
Cash generated from operations		9,389,443		9,115,272
Direct Taxes Paid		154,166		(2,241,544)
Net Cash from Operating Activities (A)		9,543,609		6,873,728
(B) Cash flow from Investing activities				
Purchase of Fixed Assets	(7,217,654)		(3,657,342)	
Investment In Fixed Deposit with Bank			(3,000,000)	
Interest Received	469,274		86,197	
Net cash from investing activities (B)		(6,748,380)		(6,571,145)
		2,795,229		302,583
(C) Cash flow from financing activities				
Proceeds From Borrowing			-	
Repayment Of Borrowing			-	
Finance Charges Paid	(312,652)		(56,260)	
Dividend Paid	(2,905,570)		(2,324,450)	
Net cash generated from financing activities (C)		(3,218,222)		(2,380,710)
Net increase in cash & cash equivalents (A+B+C)		(422,993)		(2,078,127)
Cash & Cash equivalents at the beginning of the period		811,184		2,889,311
Cash & cash equivalents at the end of the period		388,192		811,184



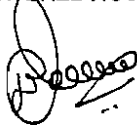
Components of Cash and cash equivalents :

Particulars	2012-2013	2011-2012
Cash on hand	29,041	108,969
Balances with the banks	359,151	702,215
Total Cash and cash equivalents as restated	388,192	811,184

Notes to Cash Flow:-

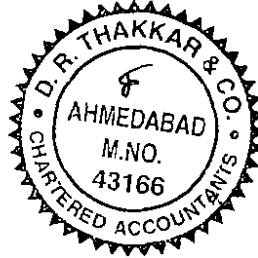
1. All figures in bracket are outflow.
2. The above Cash Flow Statement has been prepared under the ' Indirect Method' as set out in Accounting Standard 3 on " Cash Flow Statement " issued by The Institute of Chartered Accountants of India

FOR, D.R. THAKKAR & Co.
CHARTERED ACCOUNTANTS




(CA. DIPAK R. THAKKAR)
FCA , PROPRIETOR
Membership No. :043166
Firm Reg. No.: 110895W

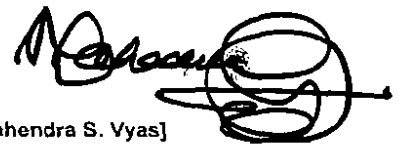
PLACE : AHMEDABAD
DATE : 22ND APRIL, 2013.



FOR & Behalf of Board of
Transweld Mechanical Engineering Works Ltd.



[Satyen J. Mamtara]
DIRECTOR



[Mahendra S. Vyas]
DIRECTOR

PLACE : AHMEDABAD
DATE : 22ND APRIL, 2013.

Transweld Mechanical Engineering Works Ltd.

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 1 Significant Accounting Policies

A Accounting Convention

The Accounts are prepared on historical cost basis and based on accrual method of Accounting and applicable Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and relevant provision of the Companies Act, 1956.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year,

B Use of Estimates

The preparation of financial statement in conformity with Indian GAAP requires the management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on date of 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.

C 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) The Company evaluated 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 recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. 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

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.

E Investment

Investment which are readily realizable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments. Long term Investment are stated at Cost and provisions is made to recognise any diminution in value, other than that of temporary mature.

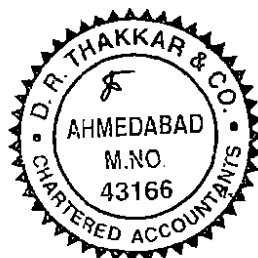
F Inventories

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.

Contd....



G Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Sale of Goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Excise Duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year. The Company collects sales taxes and Value Added Tax (VAT) on behalf of the Government and therefore these are not economic benefits flowing to the company. Revenue from sale does not include other recoveries, if any, such as insurance charges, transportation charges, etc.

Income from Services

The Company collects service tax on behalf of the Government and, therefore, it is not an economic benefit flowing to the company. Hence, Service tax is excluded from revenue from Services. Revenues from maintenance contracts, if any, are recognised pro-rata over the period of the contracts as and when services are rendered.

Interest Income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate of interest. Interest Income is included under the head "Other Income" in the statement of Profit and Loss.

Dividend

Dividend income is recognised when the company's right to receive dividend is established by the reporting date.

H Cenvat Credit

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

J Foreign Currency Transaction

Transactions in foreign currency are recorded at the exchange rates prevailing at the time the transactions are affected. The gain or loss due to exchange rates prevailing at the year end, if any, is taken into account. Exchange difference related to fixed assets are adjusted in cost of fixed assets. However, no foreign currency transaction has been made during the period.

I Employee Benefits.

The contribution to the provident fund are charged to the statement of profit and loss for the year when the contribution are due. Gratuity liabilities is determined on the basis of actuarial valuation of each year end.

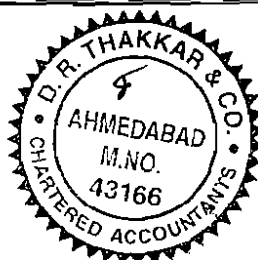
Accumulated leave, which is expected to be utilized within next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purpose.

The company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purpose.

K Borrowing Cost

Interest and other costs in connection with the borrowing of the funds to the acquisition / construction of qualifying fixed assets are capitalised upto the date when such assets are ready to intended use and other borrowing costs are charged to Statement of Profit and Loss.

Contd...



L Taxes on Income

Tax expense comprises current tax and deferred tax. Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with provision of Income Tax, 1961.

Deferred tax resulting from 'timing difference' between accounting income and taxable income originating during the current year and reversal of timing difference of earlier years using the tax rates and laws that have been enacted or subsequently enacted as on reporting date. Deferred Tax Assets are recognised and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

M Leases

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 present value of minimum lease payment and liability is created for an equivalent amount. Each lease rental 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 Statement of Profit and Loss on accrual basis.

N Earning Per Share

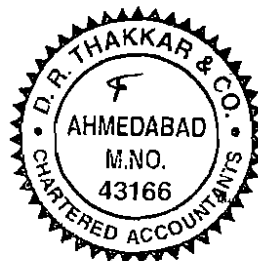
The Company reports basic and diluted Earning Per Share (EPS) in accordance with Accounting Standard 20 on Earning Per Share. Basic Earning Per Share is computed by dividing the Net Profit for the year by the weighted average number of equity shares outstanding during the year. Diluted Earning Per Share, the net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

O 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.

P Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments.



Transweld Mechanical Engineering Works Ltd.

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 2 Share Capital

Particulars	(Amount inRs.)		(Amount inRs.)	
	As at 31st Mar 2013		As at 31st Mar 2012	
AUTHORISED SHARE CAPITAL :				
2,50,000 Equity Shares of Rs. 10/- each	2,500,000		2,500,000	
	2,500,000		2,500,000	
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL				
2,50,000 Equity Shares of Rs. 10/- each fully paid up	2,500,000		2,500,000	
Total in (Amount inRs.)	2,500,000		2,500,000	

Terms / rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend Proposed by the Board of Directors is subject to the approval of shareholders in ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held

Note : 2(a)

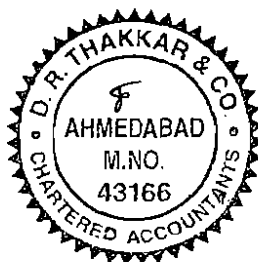
	As at 31st Mar 2013	As at 31st Mar 2012
Reconciliation of the shares outstanding at the beginning and at the end of the reporting period		
At the Beginning of the Period	250,000	250,000
Issued during the period		
Outstanding at the end of Period	250,000	250,000

Note : 2(b)

	As at 31st Mar 2013	As at 31st Mar 2012
Details of Numbers Share held by shareholders holding more than 5% the aggregate shares in the company		
Transformers & Rectifiers India Ltd. (100% Holding Since 1st August,2006.)	250,000	250,000

Note : 2(c)

	As at 31st Mar 2013	As at 31st Mar 2012
Details of Shares allotted as fully paid up by way of Bonus Shares, Shares issued for consideration other than cash during Last five years Immediately Preceding Reporting Date.		
Since No such transaction has been made during the reporting period.	Not Applicable	Not Applicable



Note : 3 Reserve & Surplus

Particulars		(Amount inRs.)	(Amount inRs.)
		As at 31st Mar 2013	As at 31st Mar 2012
(a) General Reserve			
As per last Financial Statement	3,150,000		2,550,000
Add : Amount transferred from Statement Profit and Loss		3,150,000	600,000
			3,150,000
(b) Surplus/(Deficit) in Statement of Profit and Loss			
Balance As per Last Financial Statement	37,223,533		34,823,144
Profit for the year	1,819,686		5,905,959
	39,043,219		40,729,103
Less: Appropriations			
Proposed Final Equity Dividend			2,500,000
Tax on Proposed Equity Dividend			405,570
Transfer to General Reserve			600,000
			3,505,570
Net surplus in the Statement of Profit and Loss		39,043,219	37,223,533
Total in (Amount inRs.)		42,193,219	40,373,533

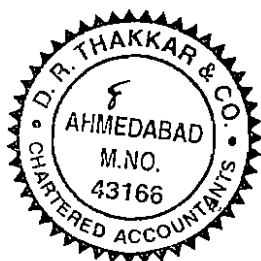
Note : 4 Deferred Tax Liabilities [Net]

Consequent to the issuance of AS : 22 " Accounting of Taxes on Income ", by The Institute of Chartered Accountants of India, the Company has recognised the deferred tax liabilities of Rs. 2,92,759/- in the Statement of Profit & Loss during the Current Year. Break up of Deferred Tax Liabilities and Deferred Tax Asset into major components of respective balance are as under :

Particulars		(Amount inRs.)	(Amount inRs.)
		As at 31st Mar 2013	As at 31st Mar 2012
Deferred Taxes			
Deferred Taxes Liability			
Fixed Asset : Impact of difference between Tax depreciation and depreciation charged to Financial Statement	2,533,602		2,401,328
Add : Addition During The Year	292,759	2,826,361	132,274
Other (if any)			
Total of Deferred Liabilities (in (Amount inRs.)) [a]		2,826,361	2,533,602
Deferred Taxes Asset			
Impact of Expenditure Charged to Statement of Profit and Loss in Current year but allowed for Tax Purpose on Payment basis			
Add : Addition During The Year			
Other (if any)			
Total of Deferred Assets (in (Amount inRs.)) [b]			
Total in (Amount inRs.) [a] - [b]		2,826,361	2,533,602

Note : 5 Trade Payables (Non Current)

Particulars		(Amount inRs.)	(Amount inRs.)
		As at 31st Mar 2013	As at 31st Mar 2012
Trade Payables : (Unsecured)			
a) Micro and Small Enterprise			-
b) Others			
- For Goods	70,274		-
- For Services	12,467	82,741	-
Total in (Amount inRs.)		82,741	-



Note : 6 Trade Payables (Current)

Particulars	(Amount inRs.)		(Amount inRs.)	
		As at 31st Mar 2013		As at 31st Mar 2012
Trade Paybles : (Unsecured)				
a) Micro and Small Enterprise	-	-	-	-
b) Others				
- For Goods	16,783,646		10,737,033	
- For Services	5,169,117	21,952,763	2,172,760	12,909,793
Total in (Amount inRs.)		21,952,763		12,909,793

Note : 7 Short Term Borrowing (Non Current)

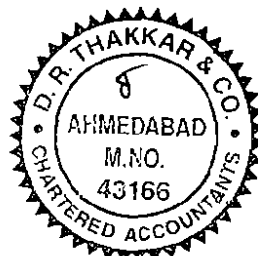
Particulars	(Amount inRs.)		(Amount inRs.)	
		As at 31st Mar 2013		As at 31st Mar 2012
Bank Overdraft from Banks (Secured)				
- With IDBI Bank		2,379,095		-
Total in (Amount inRs.)		2,379,095		-

Note : 8 Other Current Liabilities

Particulars	(Amount inRs.)		(Amount inRs.)	
		As at 31st Mar 2013		As at 31st Mar 2012
Unpaid Salary & Wages		63,328		48,736
Excise Duty Payable		565,120		-
Service Tax Payable		235,207		2,018
TDS & TCS Payable		830,662		91,161
VAT & CST Payable		412,694		600,501
Professional Tax Payable		680		700
Advance from Customers		100,000		-
Other Liabilities		5,386		115,766
Total in (Amount inRs.)		2,213,077		858,882

Note : 9 Short Term Provisions

Particulars	(Amount inRs.)		(Amount inRs.)	
		As at 31st Mar 2013		As at 31st Mar 2012
Provision for Employee Benefits				
Employee Providend Fund Payable	3,471		2,973	
Employee Insurance Payable	129	3,600	438	3,411
Others :				
Outstanding Expenses	1,105,978		1,090,579	
Dividend Payable (Proposed)	-		2,500,000	
Dividend Distribution Tax Payable	-		405,570	
Provision for Taxation A/Y 2011-12 (Net of Advacne Tax & TDS)			37,956	
Provision for Taxation A/Y 2013-14 (Net of Advacne Tax & TDS)	479,611	1,585,589	-	4,034,105
Total in (Amount inRs.)		1,589,189		4,037,516

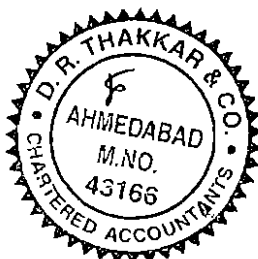


Transweld Mechanical Engineering Works Ltd.

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 10 Fixed Assets

Particulars	Factory Land	Building	Plant & Machinery	Electrifications	Furniture & Fixture & Office equipments	Other equipment	Computer	Vehicle	Total
(Amount in ₹)									
(A) TANGIBLE ASSETS									
Gross Block									
As at 01.04.2011	149,560	10,015,905	10,907,126	3,935,204	305,911	215,252	85,226	1,523	25,615,707
- Additions	-	-	214,314	-	-	-	-	-	214,314
- Disposals	-	-	-	-	-	-	-	-	-
Other Adjustments :									
- Borrowing Costs	-	-	-	-	-	-	-	-	-
- Exchange Differences	-	-	-	-	-	-	-	-	-
As at 31.03.2012	149,560	10,015,905	11,121,440	3,935,204	305,911	215,252	85,226	1,523	25,830,021
- Additions	-	4,966,893	3,998,897	544,601	-	-	25,000	-	9,535,391
- Disposals	-	-	-	-	-	-	-	-	-
Other Adjustments :									
- Borrowing Costs	-	-	-	-	-	-	-	-	-
- Exchange Differences	-	-	-	-	-	-	-	-	-
As at 31.03.2013	149,560	14,982,798	15,120,337	4,479,805	305,911	215,252	110,226	1,523	35,365,412
Depreciation									
Rate (Straight Line Method)	0.00%	3.34%	4.75%	4.75%	6.33%	4.75%	16.21%	4.75%	
As at 01.04.2011	-	2,029,378	2,309,134	1,032,389	82,193	35,831	48,129	291	5,537,345
- Additions	-	335,448	523,453	187,394	19,417	10,238	13,853	145	1,089,948
- Disposals	-	-	-	-	-	-	-	-	-
As at 31.03.2012	-	2,364,826	2,832,587	1,219,783	101,610	46,069	61,982	436	6,627,293
- Additions	-	382,933	647,789	199,822	19,363	10,224	16,190	144	1,276,465
- Disposals	-	-	-	-	-	-	-	-	-
As at 31.03.2013	-	2,747,759	3,480,376	1,419,605	120,973	56,293	78,172	580	7,903,758
Net Block									
As at 31-03-2012	149,560	7,651,079	8,288,853	2,715,421	204,301	169,183	23,244	1,087	19,202,728
As at 31-03-2013	149,560	12,235,039	11,639,961	3,060,200	184,938	158,959	32,054	943	27,461,654
(B) CAPITAL WORK IN PROCESS									
As at 01.04.2011	-	-	-	-	-	-	-	-	-
- Additions	-	3,443,028	-	-	-	-	-	-	3,443,028
- Disposals	-	-	-	-	-	-	-	-	-
Other Adjustments :									
- Borrowing Costs	-	-	-	-	-	-	-	-	-
- Exchange Differences	-	-	-	-	-	-	-	-	-
As at 31.03.2012	-	3,443,028	-	-	-	-	-	-	3,443,028
- Additions	-	1,974,529	591,096	517,651	-	-	-	-	3,083,276
- Disposals	-	4,883,362	-	517,651	-	-	-	-	5,401,013
Other Adjustments :									
- Borrowing Costs	-	-	-	-	-	-	-	-	-
- Exchange Differences	-	-	-	-	-	-	-	-	-
As at 31.03.2013	-	534,195	591,096	-	-	-	-	-	1,125,291



Transweld Mechanical Engineering Works Ltd.

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 11 Long Term Loans and Advances

Particulars	(Amount inRs.)	(Amount inRs.)
	As at 31st Mar 2013	As at 31st Mar 2012
Advance Income Tax/Refund Due (Net of Provision)	265,286	494,841
Security Deposit		
a) Secured, Considered Good :		
- Earnest Money Deposit	2,000	2,000
b) Unsecured, Considered Good :		
- G.E.B Power Deposits	633,228	633,228
- LIC- EDLI Deposit	2,000	2,000
- A.E.I. Trust (Group Gratuity)		1,000
Total in (Amount inRs.)	902,514	1,133,069

Note : 12 Trade Receivable (Non Current)

Particulars	(Amount inRs.)	(Amount inRs.)
	As at 31st Mar 2013	As at 31st Mar 2012
Long Term Trade Recievables overdue for more than twelve months		
a) Unsecured, Considered Good :	233,899	252,754
Total in (Amount inRs.)	233,899	252,754

Note : 13 Inventories (Valued at lower of Cost or Net Realizable Value)

Particulars	(Amount inRs.)	(Amount inRs.)
	As at 31st Mar 2013	As at 31st Mar 2012
Raw Material (Refer to note no.20)	17,923,747	7,789,691
Work-in-Progress (Refer to Note No. 21)	18,567,580	3,387,510
Finished Goods (Refer to Note No. 21)	-	-
Scrap (Refer to Note No. 21)	1,017,008	599,940
Total in (Amount inRs.)	37,508,335	11,777,141



Note : 14 Trade Recievables

	(Amount inRs.)	(Amount inRs.)
Particulars	As at 31st Mar 2013	As at 31st Mar 2012
Outstanding overdue for more than six months		
a) Unsecured, Considered Good :	-	7,490
Others		
a) Unsecured, Considered Good :	3,442,573	22,672,943
Total in (Amount inRs.)	3,442,573	22,680,433

Note : 15 Cash & Cash Equivalent

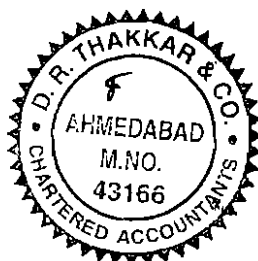
	(Amount inRs.)	(Amount inRs.)
Particulars	As at 31st Mar 2013	As at 31st Mar 2012
Cash-in-Hand		
Cash on hand	29,041	108,969
Sub Total (A)	29,041	108,969
Balance with Banks		
In Current Accounts & Overdraft Accounts	359,151	702,215
Other Bank Balance :-		
Fixed Deposit with State Bank of India	448,656	430,244
Fixed Deposit with IDBI Bank	3,265,606	3,000,000
Sub Total (B)	4,073,413	4,132,459
Cheques on Hand	(C)	-
Total [A + B + C]	4,102,454	4,241,428

Note : 16 Short Terms Loans and Advances

	(Amount inRs.)	(Amount inRs.)
Particulars	As at 31st Mar 2013	As at 31st Mar 2012
Advance Recoverable in cash or in kind or for value to be considered good		
Advance to Suppliers	48,570	-
Balance With Revenue Authorities (Indirect Taxes)	666,771	365,099
Prepaid Expenses	62,369	54,185
Advance to Staff	101,000	1,000
Total in (Amount inRs.)	878,710	420,284

Note : 17 Other Current Assets

	(Amount inRs.)	(Amount inRs.)
Particulars	As at 31st Mar 2013	As at 31st Mar 2012
Interest Receivable on GEB Deposit	36,000	32,000
Interest Accrued but not due	45,015	30,460
Total in (Amount inRs.)	81,015	62,460



Transweld Mechanical Engineering Works Ltd.

Schedules Forming Part of the Profit & Loss Accounts as at 31st March, 2013

Note : 18 Revenue from Operations

Particulars	(Amount inRs.) As at 31st Mar 2013	(Amount inRs.) As at 31st Mar 2012
<u>Revenue form Operations</u>		
Sale of Finished Goods (Gross)	112,534,178	154,220,015
Sale of Services - Jobwork (Gross)	1,523,523	3,462,600
<u>Other Operating Revenue</u>		
Scrap Sales	4,626,741	11,989,219
Revenue from Repairs	273,615	948,065
<u>Revenue form Operations (Gross)</u>	118,958,057	170,619,898
Less : Excise Duty	13,310,902	16,144,528
Total in (Amount inRs.)	105,647,155	154,475,370

Note : 19 Other Income

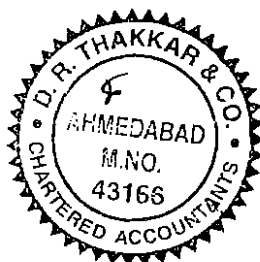
Particulars	(Amount inRs.) As at 31st Mar 2013	(Amount inRs.) As at 31st Mar 2012
Interest Received on Fixed Deposit with Banks	346,934	54,197
Interest Received From Others	122,340	32,000
Miscellaneous Income		13,692
Total in (Amount inRs.)	469,274	99,889

Note : 20 Cost of Material Consumed

Particulars	(Amount inRs.) As at 31st Mar 2013	(Amount inRs.) As at 31st Mar 2012
RAW MATERIALS CONSUMED :		
Inventory at the beginning of the year	7,789,691	17,538,681
Add : Purchase (Net of CENVAT Credit)	84,453,776	81,421,925
	92,243,467	98,960,606
Less : Inventory at the end of the year	17,923,747	7,789,691
Sub-total (a)	74,319,720	91,170,915

Note : 21 Manufacturing Expenses

Particulars	(Amount inRs.) As at 31st Mar 2013	(Amount inRs.) As at 31st Mar 2012
Inward Frieght	981,012	764,443
Power & Fuel	2,661,311	2,710,123
Repair & Maintenance		-
- Plant & Machinery	963,344	1,011,049
- Electrical	396,893	494,147
- Factory Building	47,587	-
Processing Labour Charges	19,149,248	16,700,189
Job Work Charges	5,752,032	11,604,676
Tools Purchase	3,613,476	1,939,554
Testing Charges & Other Expenses	314,055	79,804
Other Manufacturing Expenses	896,799	830,090
Total in (Amount inRs.)	34,775,757	36,134,075



Note : 22 Change in Inventories

Particulars	(Amount inRs.)	(Amount inRs.)
	As at 31st Mar 2013	As at 31st Mar 2012
(A) Opening Stock		
Work - in - Progress	3,387,510	15,667,180
Finished Goods		-
Scrap	599,940	337,500
Goods In Transit		-
Total (a)	3,987,450	16,004,680
(B) Closing Stock		
Work - in - Progress	18,567,580	3,387,510
Finished Goods		-
Scrap	1,017,008	599,940
Goods In Transit		-
Total (b)	19,584,588	3,987,450
Total in (Amount inRs.) (a-b)	(15,597,138)	12,017,230

Note : 23 Employee Benefit Expenses

Particulars	(Amount inRs.)	(Amount inRs.)
	As at 31st Mar 2013	As at 31st Mar 2012
Wages, Bonus, PF & ESIC, Leave Encashment & Welfare Exp	976,335	1,068,039
Directors Remuneration	2,300,000	-
Total in (Amount inRs.)	3,276,335	1,068,039

Note :24 Financial Cost

Particulars	(Amount inRs.)	(Amount inRs.)
	As at 31st Mar 2013	As at 31st Mar 2012
Interest to Bank	164,791	29,480
Other Interest Expenses (Incl. On Statutory Liabilities)	147,861	26,780
Total in (Amount inRs.)	312,652	56,260

Note : 25 Depreciation & Amortised Cost

Particulars	(Amount inRs.)	(Amount inRs.)
	As at 31st Mar 2013	As at 31st Mar 2012
Depreciation	1,276,464	1,089,948
Total in (Amount inRs.)	1,276,464	1,089,948

Note : 26 Other Administrative Expenses

Particulars	(Amount inRs.)	(Amount inRs.)
	As at 31st Mar 2013	As at 31st Mar 2012
Audit Fees	75,000	75,000
Advertisement Expenses	4,900	4,440
Stationery & Printing & Postage & Telephone Expenses	75,867	47,984
Insurance Expenses	39,537	88,481
Repair & Maintenance	5,562	742,680
Rates & Taxes	26,801	53,242
Rent	560,000	494,800
Bank Charges	9,684	3,877
Travelling & Conveyance Expenses	50,039	24,668
Legal & Professional Fees	864,659	490,963
Outward Freight	1,654,711	1,338,258
Security Service Charges	906,882	744,828
Selling Expenses		20,075
Prior Period Expenses	1,194	-
Other Expenses	848,315	367,988
Total in (Amount inRs.)	5,123,150	4,497,285



Transweld Mechanical Engineering Works Ltd.

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

Note : 28 Other Disclosures

- 1 Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 9,50,000 (Previous Year Rs. 14,00,000)
- 2 Managerial Remuneration : Rs.23,00,000 (Previous year Rs. NIL)
- 3 Closing balances of debtors, creditors and Loans and advances are subject to confirmation.
- 4 **Related Parties Transaction :**

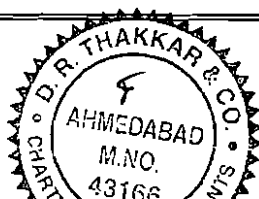
Name of Related Parties

Nature of Relation	Name of Related Parties
Holding Company	Transformers and Rectifiers (India) Ltd. (Since 1st August, 2006.)
Associates Companies / Enterprise	Transpares Limited, Savas Engineering Co. (P) Ltd & Tanil Infrastructure Ltd.
Key Management Personnel	Mr. Satyen J. Mamtara & Mr. Mahendra S. Vyas

Details of Transactions with related parties

Nature of Transaction	Holding Company & Companies/Enterprise		Key Management Personnel & Relatives		Total	
	2012-2013	2011-2012	2012-2013	2011-2012	2012-2013	2011-2012
<u>Service Rendered</u>						
Transformers & Rectifiers (India) Ltd	1516188	3426075	0	0	1516188	3426075
Savas Engg. Co. (P) Ltd.	568	6907	0	0	568	6907
<u>Service Received</u>						
Transformers & Rectifiers (India) Ltd	45844	282107	0	0	45844	282107
Savas Engg. Co. (P) Ltd.	2219389	10220814	0	0	2219389	10220814
<u>Rent Paid</u>						
Karunaben Jitendra Mamtara	215000	0	0	240000	215000	240000
<u>Sale of Goods</u>						
Transformers & Rectifiers (India) Ltd	114159449	160012133	0	0	114159449	160012133
Transpares Limited	608148	403454	0	0	608148	403454
Savas Engineering Co. (P) Ltd.	1156417	607638	0	0	1156417	607638
<u>Purchase of Materials</u>						
Transformers & Rectifiers (India) Ltd	224109	2732498	0	0	224109	2732498
Transpares Limited	82769	17940	0	0	82769	17940
Savas Engineering Co. (P) Ltd.	7670	27309	0	0	7670	27309
<u>Purchase of Capital Goods</u>						
Savas Engineering Co. (P) Ltd.	304033					
<u>Amount Owed by:</u>						
Transformers & Rectifier (India) Ltd	2984164	22,309,087	0	0	2984164	22309087.3
Savas Engineering Co. (P) Ltd.	458,409	0	0	0	458409	0
<u>Amount Owed to:</u>						
Savas Engineering Co. (P) Ltd.	0	0	0	0	0	0

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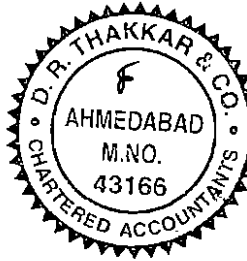
- 9 As per practice consistently followed, Cenvat duty on finished goods lying in the plants at the end of the year is neither included in expenditure nor valued in such stock, but is accounted for on clearance of goods. This has no effect on Profit / Loss for the year.

Notes to Accounts No. 1 to 28 Signed

FOR, D.R. THAKKAR & Co.
CHARTERED ACCOUNTANTS

(CA. DIPAK R. THAKKAR)
FCA , PROPRIETOR
Membership No. :043166
Firm Reg. No.: 110895W

PLACE : AHMEDABAD
DATE : 22ND APRIL, 2013.



FOR & Behalf of Board of
Transweld Mechanical Engineering Works Ltd.

[Satyen J. Mamtara]
DIRECTOR

[Mahendra S. Vyas]
DIRECTOR

PLACE : AHMEDABAD
DATE : 22ND APRIL, 2013.