

16th

ANNUAL
REPORT

2 0 0 9 - 2 0 1 0



ISO 9001:2000 CERTIFIED

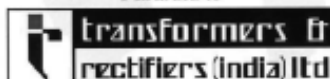


BUREAU VERITAS
Certification



Certification

Awarded to



TRANSFORMERS & RECTIFIERS (INDIA) LTD.

UNIT I:	SURVEY NO. 344-350, SARKHEJ - BAVLA HIGHWAY, VILLAGE: CHANGODAR, TALUKA: SANAND, DIST.: AHMEDABAD - 382 213, GUJARAT, INDIA.
UNIT II:	233, GUJARAT VEPAARI MAHAMANDAL, AUDHYOGIK VASAHAT ODHAV, AHMEDABAD - 382 415, GUJARAT, INDIA.
UNIT-III:	SURVEY NO. 427P13-4 & 431P11-3, OPP. NOVA PETROCHEMICAL, SARKHEJ - BAVLA HIGHWAY, POST: MORAIYA, TALUKA SANAND, DIST.: AHMEDABAD - 382 210, GUJARAT, INDIA.

Bureau Veritas Certification (India) Private Limited certify that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the standard detailed below

STANDARD

ISO 9001:2008

SCOPE OF SUPPLY

UNIT I: CHANGODAR: AHMEDABAD	DESIGN, MANUFACTURE AND SERVICE OF DISTRIBUTION TRANSFORMERS, POWER TRANSFORMERS (UPTO 200 MVA, 220 KV CLASS), FURNACE TRANSFORMERS, CONVERTER DUTY TRANSFORMER (UPTO 63 MVA, 33 KV CLASS) & SERIES AND SHUNT REACTORS (UPTO 100 MVAR).
UNIT II: ODHAV: AHMEDABAD	MANUFACTURE AND SERVICE OF DISTRIBUTION TRANSFORMERS, POWER TRANSFORMERS (UPTO 15 MVA 166 KV CLASS), FURNACE TRANSFORMERS AND CONVERTER DUTY TRANSFORMER (UP TO 15 MVA CAPACITY / 33 KV CLASS).
UNIT III: MORAIYA: AHMEDABAD	MANUFACTURE OF POWER TRANSFORMERS, FURNACE TRANSFORMERS AND CONVERTER DUTY TRANSFORMERS.

PERMITTED EXCLUSION (S)
NIL

Original Approval Date: 02 May 1998

Subject to the continued satisfactory operation of the organization's Management System, this certificate is valid until:

01 September 2010

To check this certificate validity please call: +91 22 6695 6300

Further clarifications regarding the scope of this certificate and the applicability of the Management System requirements may be obtained by consulting the organisation.

Certificate Number: 218194/R2

Date: 20 March 2010



R. K. SHARMA
Director

*Bureau Veritas Certification
using the accreditation
certificate number 008*



008



Certification / Managing Office Address: "Marwah Centre" 6th Floor, Krishnadas Marwah Marg, Opp. Anso Industrial Estate, Off Saki Vihar Road, Andheri (East), Mumbai - 400 072, India.

Transformers & Rectifiers (India) Limited

Board of Directors

Mr. Jitendra Mamtora

Chairman & Managing Director

Mr. Satyen Mamtora

Joint Managing Director

Mrs. Karuna Mamtora

Executive Director

Mr. Bhaskar Sen

Director

Mr. Michael Homawalla

Director

Mr. Rajendra Shah

Director

Mr. Harish Rangwala

Director

Mr. Sureshchandra Agarwal

Director

Mr. Rahul Shah

Chief Financial Officer

Mr. Tushar Shah

Company Secretary

Committees of Board

Audit Committee

Shareholder's Grievance Committee

Remuneration Committee

Management Committee

Transfer Committee

Contents

Notice	03
Director's Report	11
Report on Corporate Governance	18
Management Discussion and Analysis Report	29
Auditor's Report	35
Standalone Financial Statement	38
Financial Details of Subsidiary Companies	63
Statement pursuant to Section 212 of the Companies Act, 1956	64
Auditor's Report on Consolidated Financial Statement	67
Consolidated Financial Statement	68
Attendance Slip and Proxy Form	91

Bankers

State Bank of India

Bank of Baroda

Axis Bank

Standard Chartered Bank

IDBI Bank

Auditors

C. C. Chokshi & Co.

Chartered Accountants

Heritage, Nr. Gujarat Vidhyapith,

Ahmedabad - 380014.

Registered Office/Plant

Survey No.344-350, Opp. PWD Stores,

Sarkhej-Bavla Highway, Village : Changodar

Taluka : Sanand, District : Ahmedabad-382213

Gujarat.

E-mail : info@transformerindia.com

Website : www.transformerindia.com

Plants

1. Moraiya Unit, Moraiya, Ahmedabad
2. Changodar Unit, Changodar, Ahmedabad
3. Odhav Unit, Odhav, Ahmedabad
4. Fabrication Unit, Odhav, Ahmedabad

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound

L.B.S. Road, Bhandup (West),

Mumbai 400078, India

Listing

The Bombay Stock Exchange Ltd.

National Stock Exchange of India Ltd.

Depositories

NSDL

CDSL

ISIN

INE763I01018

CIN

L33121GJ1994PLC022460



VISION

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

MISSION

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



NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the members of the Company will be held on Wednesday, 28th July, 2010 at 11.00 a.m. at the Survey No. 344-350, Opp. PWD Stores, Sarkhej-Bavla Highway, Village: Changodar, Taluka: Sanand, Ahmedabad-382213, Gujarat, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a director in place of Mr. Michael Homawalla, who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a director in place of Mr. Harish Rangwala, who retires by rotation and, being eligible, offers himself for reappointment.
5. To consider and if thought fit, to pass with or 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. C. C. Chokshi & Co., Chartered Accountants, Ahmedabad, (Registration No.101876W) be and are hereby appointed 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 a remuneration to be fixed by the Board of Directors of the Company”

SPECIAL BUSINESS

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

To Reappoint Mr. Satyen J. Mamtora as a Joint Managing Director of the Company.

“RESOLVED THAT pursuant to Section 198, 269, 309, 310 and other applicable provisions, if any of the Companies Act, 1956, read with and in accordance with the conditions specified in Schedule XIII of the said Act, (including any statutory modification or re-enactment thereof for the time being in force) and as recommended by the Remuneration Committee, the approval of the Company be and hereby accorded to the reappointment of Mr. Satyen J. Mamtora as a Joint Managing Director of the Company with effect from 1st April, 2010 for a period of 5 years or till Board resolves otherwise or the Joint Managing Director resigns from the office of Directorship, on the terms and conditions, as set out in the Explanatory Statement annexed hereto.

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

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

To Reappoint Mrs. Karuna J. Mamtora as an Executive Director of the Company.

“RESOLVED THAT pursuant to Section 198, 269, 309, 310 and other applicable provisions, if any of the Companies Act, 1956, read with and in accordance with the conditions specified in Schedule XIII of the said Act, (including any statutory modification or re-enactment thereof for the time being in force) and as recommended by the Remuneration Committee, the approval of the Company be and hereby accorded to the reappointment of Mrs. Karuna J. Mamtora as an Executive Director of the Company with effect from 1st April, 2010 for a period of 5 years or till Board resolves otherwise or the Executive Director resigns from the office of Directorship, on the terms and conditions, as set out in the Explanatory Statement annexed hereto.

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



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

To Revise the term of remuneration of Mr. Jitendra Mamtora, Chairman & Managing Director of the Company.

“RESOLVED THAT in accordance with provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any of the Companies Act, 1956, read with and in accordance with the conditions specified in Schedule XIII of the said Act, (including any statutory modification or re-enactment thereof for the time being in force) and as recommended by the Remuneration Committee, consent of the Company be and is hereby accorded to the revision in terms of remuneration payable to Mr. Jitendra Mamtora, Chairman and Managing Director of the Company, with effect from 1st April, 2010 as set out in the Explanatory Statement annexed hereto, for the remaining period of his tenure.

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

Place : Ahmedabad
Date : 27th April, 2010

By Order of the Board of Directors

Tushar Shah
Company Secretary

Registered Office :

Survey No : 344-350, Opp. P.W.D. Stores, Sarkhej Bavla Highway,
Village: Changodar, Taluka: Sanand, District: Ahmedabad-382213

Notes :

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must reach the registered office of the Company not less than 48 hours before the scheduled commencement of the meeting.
- The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the Special Business mentioned above is annexed hereto and forms part of the Notice.
- A brief profile of the directors retiring by rotation and eligible for reappointment is furnished as per Clause 49 of the Listing Agreement.
- Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24th July, 2010 to Wednesday, 28th July, 2010 (both days inclusive), for the purpose of dividend, if declared at the Annual General Meeting.
- The dividend on shares as recommended by the Board of Directors, if declared at the meeting, will be paid:
 - in respect of shares held in demat form, on the basis of beneficial ownership as per details furnished by the depositories, as at the end of the business day on Friday, 23rd July, 2010 and
 - in respect of shares held in physical form to those members whose names appear in the Registers of Members of the Company after giving effect to all valid share transfer lodged with the share transfer agent on Friday, 23rd July, 2010.
- As the payment of Dividend will be made through NECS, members holding shares in dematerialized form are requested to intimate all changes with respect to their address/bank details/mandate etc. to their respective Depository Participants. The Company or its Share Transfer Agent will not act on any direct request from these members for change of such details. However request for any change in respect of shares held in physical form should be sent to Company or Registrar & Share Transfer Agent.
- Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Tushar Shah, Company Secretary, at the Company's Registered Office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund as per Section 205A of the Companies Act, 1956.
- Members who have not so far encashed the dividend in respect of the dividend declared from the year 2007-2008 are advised to submit their claim to the Company (E-mail : ipo@transformerindia.com) or RTA quoting their Folio No./DP ID Client ID (E-mail: rnt.helpdesk@linkintime.co.in)



- Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
- Members who wish to attend the meeting are requested to bring attendance slip sent herewith, duly filled in & signed, and the copy of the annual report. Copies of the annual report will not be distributed at the meeting.

Place : Ahmedabad
Date : 27th April, 2010

By Order of the Board of Directors

Tushar Shah
Company Secretary

Registered Office :

Survey No : 344-350, Opp. P.W.D. Stores, Sarkhej Bavla Highway,
Village: Changodar, Taluka: Sanand, District: Ahmedabad-382213

EXPLANATORY STATEMENT

ITEM NO. 6

Mr. Satyen J. Mamtara was appointed as a Joint Managing Director of the Company whose terms expired on 31.03.2010. He is looking after and managing the day to day operations of the Company. The Board at its meeting held on 27th April, 2010, on the recommendation of Remuneration Committee, has decided to reappoint him as a Joint Managing Director of the Company with effect from 1st April, 2010 for a period of 5 years, on such remuneration, subject to approval of the shareholders at ensuing General Meeting on following terms & conditions :

- Salary : Rs. 600,000/- p.m.
- Performance Incentive : In addition to the salary, he will also be entitled to performance incentive payment up to an amount equivalent to a maximum of 50% of his gross annual salary computed as per (a) above. This will be in addition to the salary, perquisites and allowances payable for the period of his appointment as may be determined by the Board of Directors of Company. This will start from 2010-2011 on year to year basis until further resolved.
- Perquisites : In addition to the salary & performance incentive, the following perquisites shall be allowed to the Joint Managing Director and the total value of perquisites shall be restricted to an amount equal to the annual salary.

CATEGORY - "A"

- Housing**
The Company shall provide furnished accommodation to the Joint Managing Director. If the Joint Managing Director is having his own accommodation, the Company shall pay house rent allowance at the rate of Rs. 120,000/- per month, subject to a limit of 20% of his salary. The Company shall provide equipments and appliances, furniture, fixtures and furnishing, including maintenance of all, at the residence of the Joint Managing Director at the entire cost of the Company. The Company shall reimburse the expenses of gas, electricity, water etc. The expenditure on these, valued in accordance with the Income-tax Rules, shall not exceed 10% of the salary.
- Medical Reimbursement**
Medical Expenses actually incurred for self and family shall be reimbursed by the Company.
- Leave Travel Concession**
The Company shall provide leave travel fare for the Joint Managing Director and his family once in a year, any where in the world, as per the Rules applicable to the Company.
- Personal Accident Insurance**
The Company shall pay and/or reimburse Personal Accident Insurance Premium upto Rs. 25,000/- per annum.
- Club Fee**
The Company shall pay and / or Reimburse Fees and Expenses (excluding admission and Life membership fees) of clubs, subject to a maximum of two clubs.



CATEGORY - “B”

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

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

CATEGORY - “C”

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

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

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

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

ITEM NO. 7

Mrs. Karuna J. Mamtora was appointed as an Executive Director of the Company whose terms expired on 31.03.2010. She is looking after and managing the day to day operations of the Company. The Board at its meeting held on 27th April, 2010, on the recommendation of Remuneration Committee, has decided to reappoint her as an Executive Director of the Company with effect from 1st April, 2010 for a period of 5 years, on such remuneration, subject to approval of the shareholders at ensuing General Meeting on following terms & conditions:



- (a) Salary : Rs. 150,000/- p.m.
- (b) Perquisites : In addition to the salary, the following perquisites shall be allowed to the Executive Director and the total value of perquisites shall be restricted to an amount equal to the annual salary.

CATEGORY - “A”

- i) Housing
The Company shall provide furnished accommodation to the Executive Director. If the Executive Director is having her own accommodation, the Company shall pay house rent allowance at the rate of Rs. 30,000/- per month, subject to a limit of 20% of her salary. The Company shall provide equipments and appliances, furniture, fixtures and furnishing, including maintenance of all, at the residence of the Executive Director at the entire cost of the Company. The Company shall reimburse the expenses of gas, electricity, water etc. The expenditure on these, valued in accordance with the Income-tax Rules, shall not exceed 10% of the salary.
- ii) Medical Reimbursement
Medical Expenses actually incurred for self and family shall be reimbursed by the Company.
- iii) Leave Travel Concession
The Company shall provide leave travel fare for the Executive Director and her family once in a year, any where in the world, as per the Rules applicable to the Company.
- iv) Personal Accident Insurance
The Company shall pay and/or reimburse Personal Accident Insurance Premium upto Rs. 15,000/- per annum.
- v) Club Fee
The Company shall pay and / or Reimburse Fees and Expenses (excluding admission and Life membership fees) of clubs, subject to a maximum of two clubs.

CATEGORY - “B”

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

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

CATEGORY - “C”

- i) The Company shall provide a Car with Driver at the entire cost of the Company for use of the business purpose of the Company.
- ii) The Company shall provide telephone including mobile phone at the residence of the Executive Director at the entire cost of the Company.
- iii) The Executive Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. She shall, however, be reimbursed the actual travelling, lodging and boarding expenses incurred by her for attending meetings of the Board of Directors and/or committees thereof.
- iv) The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Managing Director and other Executive Directors of the Company taken together. Provided, however, that in the event of absence or inadequacy of profit, the Executive Director shall be entitled to remuneration mentioned under (a) above and perquisites as above within the minimum remuneration specified in Schedule XIII to the Companies Act, 1956.



- v) In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company.
- vi) The Executive Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company.
- vii) “Family” means the spouse, dependent children and dependent parents of Executive Director.
- viii) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.

All expenditure actually and properly incurred on Company’s business shall be reimbursed to the Executive Director.

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

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

ITEM NO. 8

The Board of Directors at their meeting held on 27th April, 2010 on the recommendation of the Remuneration Committee had approved the revision in the terms of remuneration payable to Mr. Jitendra Mamtara, Chairman & Managing Director of the Company, with effect from 1st April, 2010, till his remaining period of appointment. The revision in remuneration was made keeping in mind his contribution made to the growth and development of the company, as well as the compensation package prevalent in the Industry. He will be entitled to the following remuneration:

He will be entitled to the following remuneration:

- (a) Salary : Rs. 900,000/- p.m.
- (b) Commission – 2% of the Company’s Net Profit for each financial year subject to the overall ceiling laid down in Section 198 and 309 of the Companies Act, 1956.
- (c) Perquisites : In addition to the salary and commission, the following perquisites shall be allowed to the Chairman & Managing Director and the total value of perquisites shall be restricted to an amount equal to the annual salary.

CATEGORY - “A”

- i) Housing
The Company shall provide furnished accommodation to the Chairman & Managing Director. If the Chairman & Managing Director is having his own accommodation, the Company shall pay house rent allowance at the rate of Rs. 180,000/- per month, subject to a limit of 20 % of his salary. The Company shall provide equipments and appliances, furniture, fixtures and furnishing, including maintenance of all, at the residence of the Chairman & 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 & Managing Director and his family once in a year, any where in the world, as per the Rules applicable to the Company.
- iv) Personal Accident Insurance
The Company shall pay and/or reimburse Personal Accident Insurance Premium upto Rs.30000/- per annum.
- v) Club Fee
The Company shall pay and / or Reimburse Fees and Expenses (excluding admission and Life membership fees) of clubs, subject to a maximum of two clubs.



CATEGORY - “B”

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

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

CATEGORY - “C”

- i) The Company shall provide a Car with Driver at the entire cost of the Company for use of business purpose of the Company.
- ii) The Company shall provide telephone including mobile phone at the residence of the Chairman & Managing Director at the entire cost of the Company.
- iii) 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.
- iv) The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Managing Director and other Executive Directors of the Company taken together. Provided, however, that in the event of absence or inadequacy of profit, the 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.
- v) In the event of cessation of office during any financial year, a ratable proportion of the aforesaid remuneration shall be payable by the Company.
- vi) The Chairman & Managing Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company.
- vii) “Family” means the spouse, dependent children and dependent parents of Chairman & Managing Director.
- viii) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.

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

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

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

Place : Ahmedabad
Date : 27th April, 2010

By Order of the Board of Directors

Tushar Shah
Company Secretary

Registered Office :
Survey No : 344-350, Opp. P.W.D. Stores, Sarkhej Bavla Highway,
Village: Changodar, Taluka: Sanand, District: Ahmedabad-382213



DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT ANNUAL GENERAL MEETING AS PER CLAUSE 49 OF THE LISTING AGREEMENT

Sr. No.	1	2	3	4
Name of Directors	Mrs. Karuna Mamtara	Mr. Satyen Mamtara	Mr. Michael Homawalla	Mr. Harish Rangwala
Age	60 years	35 years	51 years	62 years
Date of Appointment	01/04/2005	01/04/2007	06/09/2005	25/08/2005
Expertise in specific functional areas	Implementation & Formulation of Corporate Social Responsibility and General Administrative function and the Human Resource Development	In area of Production, Project and Marketing in Transformers Industries	Human Resource Management	Manufacture of small tools and engineering components
Qualification	B.A.	Diploma in Electrical Engineering	B.Com. MBA (USA)	B.E.
No. of Equity Shares held	2,67,736	97,000	-	3,000
List of Outside Company Directorship held	1. Transpares Ltd.	1. Transweld Mechanical Engineering Works Ltd.	1. Transweld Mechanical Engineering Works Ltd. 2. Transpares Ltd. 3. Softgenie Ltd.	1. Harsha Engineers Ltd. 2. Harsha Engineers (India) Pvt. Ltd.
Chairmanship/ Membership of the Audit Committee, Shareholder's/ Investors Grievance Committee of other Companies in which he/she is a Director	-	-	-	-



DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 16th Annual Report on the business and operations together with the Audited accounts for the year ended 31st March, 2010. The performance of the Company for the year ended on March 31, 2010 is summarized below.

Financial Highlights

(Rupees in Lacs)

Particulars	Standalone	
	2009-2010	2008-2009
Turnover	51,509.95	42,507.76
Other Income	872.03	1,094.20
Total Income	52,381.98	43,601.96
EBIDTA	8,373.70	7,507.72
Interest & Finance charges	470.38	691.58
Depreciation & Amortization	441.06	251.51
PROFIT BEFORE TAX	7,462.26	6,564.63
Taxation	2,511.38	2,152.72
NET PROFIT AFTER TAX	4,950.88	4,411.91
Appropriations:		
Proposed Dividend	646.18	516.94
Tax on Dividend	102.38	83.36
Transferred to General Reserve	500.00	500.00
Balance carried to Balance Sheet	12,174.35	8,472.03

Dividend

Your Directors recommend a dividend of 50% i.e. Rs. 5/- per Equity Share of Rs. 10/- each for the year 2009-2010 (Previous year 40% i.e. Rs. 4/- per Equity Share), subject to approval of shareholders at the 16th Annual General Meeting.

Review of Operations

For the year ended 31st March, 2010, your Company has reported standalone turnover and net profit after taxation of Rs. 51,509.95 Lacs and Rs. 4,950.88 Lacs respectively. As compared to previous year's turnover, it is up by 21.18% and net profit after taxation is up by 12.22%.

Current Status of Project

During the year, the Company's Moraiya Unit produced 22 transformers totaling 2160 MVA. First two 400 kV class transformers are successfully tested and dispatched to the Customers.

Your Directors are pleased to inform that the Moraiya Unit being operational in full fledge is a major break through of the Company.

Plans and Prospects

Your Company is now geared to manufacture transformers up to 400 kV class, therefore the Company's major focus will remain to cater the demand of 400 kV class transformers. Apart from this, your Company has signed MOU with Power Grid Corporation of India to develop 1200 kV class transformer.



IPO Fund Utilization

In order to set up a green-field manufacturing facility at Moraiya, near Ahmedabad for manufacturing of 220 kV class & above transformers, to part finance incremental working capital requirements and other corporate objects during December, 2007, the Company came out with an (IPO) of 29,95,000 equity shares of Rs.10/- each at a price of Rs.465/- per share aggregating to Rs.13,927 Lacs through 100% book building procedure. The IPO fund of the Company has been fully utilized during the year 2009-2010 for which necessary intimation has already been sent to the respective stock exchanges. The details of fully utilized IPO Funds are as under:

(Rupees in Lacs)

Particulars	Projections	Actual
Setting up of green-field manufacturing facility at Moraiya, near Ahmedabad, Gujarat for manufacturing transformers;	6,668	6,969
Towards working capital requirement	3,540	4,042
Repayment of high cost debts	2,764	2,450
Issue Expenses	955	466
Total	13,927	13,927

Consolidated Financial Statements

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

Order Book

As on 27.04.2010, the Company has Order Book position of Rs. 31,490 Lacs. The table below indicates the division of our order book between our business segments:

(Rupees in Lacs)

Type of Transformer	Order Book	%
Power Transformer	25,416	81%
Distribution Transformer	701	2%
Furnace/Rectifier Transformer	2,783	9%
Export	2,590	8%
Total	31,490	100%

Exports

During the year, the Company has achieved export sales of Rs. 6,618.01 Lacs as against Rs.1,798.45 Lacs last year.

Fixed Deposit

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

Awards

The Company has received "Best Equipment Supplier" Award from Gujarat Energy Transmission Company Limited (GETCO). This has been our second award in a row in two consecutive years & this is an indication of faith/trust being reposed on us by one of our most valued customers. It also indicates that we are very much on track with respect to our endeavour to satisfy them by providing the timely deliveries & prompt after sales services.

“Group” for Inter se Transfer of Shares

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



Associate Portfolio

Looking to the growth of the Company during the year 2009-2010, the Company has subscribed in the equity shares of Savas Engineering Company Pvt. Ltd. In FY 2009-10, the Company has achieved Sales of Rs. 1791.60 Lacs and posted profit before tax of Rs. 240.50 Lacs.

Directors

The term of Mr. Satyen J. Mamtora as Joint Managing Director & Mrs. Karuna J. Mamtora as an Executive Director of the Company expired on 31.03.2010. The Board of Directors at its meeting held on 27.04.2010 has decided to reappoint them as Joint Managing Director and Executive Director respectively for which they have consented to act as Joint Managing Director and Executive Director respectively w.e.f. 1st April, 2010 for a further period of 5 years on such remuneration as set out in Explanatory Statements annexed to the Notice of 16th Annual General Meeting which has been approved by the Board at its meeting held on 27.04.2010 subject to the approval of the members in ensuing general meeting.

The Board has also revised the terms of remuneration of Mr. Jitendra Mamtora, Chairman and Managing Director of the Company as set out in Explanatory Statement annexed to the Notice of 16th Annual General Meeting, at its meeting held on 27.04.2010 subject to the approval of the members in ensuing general meeting.

Pursuant to the provisions of Section 256 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Harish Rangwala & Mr. Michael Homawalla, Directors of the Company who retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Details of the Directors seeking reappointment as required under Clause 49(VI) of the Listing Agreements are provided in the Notice forming part of this Annual Report.

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

Directors' Responsibility Statement

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

- a) in preparation of annual accounts for the year ended 31st March, 2010, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts for the year ended 31st March, 2010 on going concern basis.

Insurance

Assets of your Company are adequately insured against various perils.

Corporate Governance

As stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, a separate report on "Corporate Governance" as well as "Management Discussion and Analysis" confirming compliance, is set out in the Annexure forming part of this report. A Certificate from Practicing Company Secretary regarding compliance with corporate governance norms stipulated in Clause 49 of the Listing Agreement is annexed to the report on Corporate Governance.

Subsidiary Companies

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

In terms of exemption received from Ministry of Corporate Affairs vide letter No.47/159/2010-CL-III dated 17.03.2010, under section 212(8) of the Companies Act, 1956, the Audited Balance Sheet, Profit and Loss Account, Report of the Board of Directors and Auditors of our subsidiaries have not been attached with the Balance Sheet of the Company. These documents will be made



available upon request by any member of the Company interested in obtaining the same. However as directed by Central Government, the brief financial details of the subsidiaries have been furnished under “Financial details of Subsidiary Companies” forming part of the Annual Report. Further, pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company includes financial information of its subsidiaries. These documents will also be available for inspection during business hours at our registered office. The details of the accounts of individual subsidiary companies are available on the website of the Company.

Auditors

The Statutory Auditors of the Company, M/s. C. C. Chokshi & Co., Chartered Accountants, Ahmedabad, (Firm Reg. No.101876W) will retire at conclusion of ensuing Annual General Meeting and being eligible, have offered themselves for reappointment for the year 2010-2011.

The Company has received a written certificate from Auditors stating their appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956 for the year 2010-2011. The Board, on the recommendation of the Audit Committee, has also proposed M/s. C. C. Chokshi & Co., Chartered Accountants, Ahmedabad, be reappointed as Auditors of the Company.

Your Directors request you to appoint and fix remuneration of the Auditors for the current year.

Auditor's Report

The Auditor's Report on the accounts of the Company for the accounting year ended 31st March, 2010 is self explanatory and does not call for further explanations or comments that may be treated as adequate compliance of Section 217(3) of the Companies Act, 1956.

Particulars of Employees

The relations with the employees have been cordial throughout the year. Your Directors sincerely acknowledge the exemplary dedication of all its employees at all levels which contributed to the improved performance. The information required under section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of employees are set out in annexure to the Directors Report.

However, having regard to the provisions of Section 219(i)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all members of the Company & others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

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

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

Corporate Social Responsibility

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

Acknowledgement

Your Directors would like to acknowledge with gratitude, the incredible support and cooperation extended by all shareholders, customers, lenders, bankers, business associates, suppliers and Government and look forward to their continued support. Your Directors wish to place on record their appreciation of employees at all levels for their sincere hard work, dedication, loyalty, commitment, which has enabled the Company to grow faster.

By Order of the Board of Directors

Place : Ahmedabad
Date : 27th April, 2010

Jitendra U. Mamtora
Chairman & Managing Director



Annexure I to the Director's Report

Information as per Section 217 (1) (e) read with Company's (Disclosures of particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors Report for the year ended on 31st March, 2010.

1. Conservation of Energy :

A. Energy conservation measures taken & its impact :

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

1. Day light in the shop floor has been improved by providing vertical transparent sheets.
2. Replacement of Over capacity lights by proper capacity lights

B. Additional investment and proposals, if any being implemented for reduction of energy consumption of energy & its impact: Installation of Automatic Power Fitter Controller (APFC) to improve system power factor 0.94 lag to 0.99 lag.

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

Particulars	2009-2010	2008-2009
Electricity		
Purchased :		
Units (Kwh)	3,241,029 Units	2,269,314 Units
Total Amount (Rs. in Lacs)	206.68	129.37
Rate / Unit (Rs.)	6.38 / Unit	5.70 / Unit

2. Technology Absorption :

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

3. Foreign Exchange Earnings & Outgo :

(Rupees in Lacs)

Particulars	2009-2010	2008-2009
Earnings	6,618.01	1,798.45
Outgo :		
Foreign Travel Expenses	39.72	49.54
Import	4,090.74	4,022.45
Commission	600.06	-
Others	24.56	55.06



Annexure II forming part of Director's Report

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

Sr. No.	List of Persons	Sr. No.	List of Persons
1.	Akanksha S. Mamtara	15.	Mamtara Brothers
2.	Asha Mamtara	16.	M.B.Optics Pvt. Ltd.
3.	Ashish Kiri	17.	Michael Homawalla
4.	Benchmark HR Solutions (India) Pvt. Ltd.	18.	Ms. Vritika Kiri
5.	Bhaskar Sen	19.	Pramila Mamtara
6.	Bipin Mamtara	20.	Rajendra Shah
7.	Dilip Mamtara	21.	Ramesh Mamtara
8.	Harish Rangwala	22.	Satyen J. Mamtara
9.	Janki Mamtara	23.	Savas Engineering Company Pvt. Ltd.
10.	Jitendra Mamtara HUF	24.	Sureshchandra Agarwal
11.	Jitendra U Mamtara	25.	Transpares Ltd.
12.	Karuna J. Mamtara	26.	Transpower
13.	Pranay S. Mamtara	27.	Transweld Mechanical Engineering Works Ltd.
14.	Pratham S. Mamtara	28.	Vandana Mamtara

By Order of the Board of Directors

Place : Ahmedabad
Date : 27th April, 2010

Jitendra U. Mamtara
Chairman & Managing Director





REPORT ON CORPORATE GOVERNANCE

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

The Board of Directors is at the core of our Corporate Governance practice and oversees how the Management serves and protects the interest of our Company’s stakeholders. The Board also ensures that the Company’s management and employees operate with the highest degree of ethical standards. Corporate Governance is strongly driven by our values such as quality, commitment, customer orientation and integrity.

Our Governance that is held in high esteem even by our competitors, a great deal of relevance is attached to living up to our image as a value based organization. We are an ethically responsible Company, operate with transparency, validate commitment and sincerity, both vertically and horizontally across the organization and inculcate a spirit of integrity.

1. Company’s Philosophy on Corporate Governance

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

The Board of Directors represents the interest of the Company’s stakeholders, for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company.

The Company’s continued endeavor is to achieve good governance which ensures our performance rules with integrity whereby ensuring the truth, transparency, accountability and responsibility in all our dealings with our employees, shareholders, consumers and the community at large. Apart from compliance with the statutory provisions of Company Law, Allied acts and Listing Agreements, the Company is in compliance with all the requirements of the Corporate Governance code as enshrined in clause 49 of the Listing Agreements. We believe that sound corporate governance is critical to enhance and retain stakeholders trust.

2. Board of Directors

A. Composition

The Board of Directors of TRIL has been constituted in manners which ensure the proper mix of Executive, Non Executive, Independent and Non-Independent Directors to ensure proper governance and management. Your Company’s Board consists of eight (8) Directors of which Three (3) are Executive and Non-Independent Directors. Four (4) are Non-Executive and Independent Directors. One (1) is Non-Executive and Non-Independent Director. The Chairman of the Board is Executive Director.

B. Information on Board of Directors & Board Meetings

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

During the year, Board met four (4) times i.e. 28.04.2009, 23.07.2009, 14.10.2009 & 27.01.2010. The maximum gap between any two board meetings did not exceed four months.

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



Present Composition of the Board, Attendance at the Board Meetings and at the last AGM, Number of Directorship are as under:

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

* Including Private Companies, ** Committees include Audit Committee & Shareholders' Grievance Committee for the purpose of Clause 49, Note : CMD-Chairman & Managing Director, JMD- Joint Managing Director, ED-Executive Director, D-Director, NID-Non-Independent Director, NED-Non-Executive Director, ID-Independent Director.

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

C. Code of Conduct

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

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

3. Audit Committee

Composition & Attendance

The Audit Committee comprises of 3 Non-Executive Directors namely Mr. Michael Homawalla, Mr. Harish Rangwala & Mr. Sureshchandra Agarwal and 1 Executive Director namely Mr. Jitendra Mamtara. The Chairman of the Audit Committee is an Independent Director. The Constitution of the Committee meets the requirements of Section 292A of the Companies Act, 1956 as well as Clause 49 of the Listing Agreement.

Five Audit Committee Meetings were held during the year 2009-2010 on 28.04.2009, 23.07.2009, 14.10.2009, 27.01.2010, & 27.03.2010.

The Statutory Auditors and Internal Auditors have attended the meetings by invitation. Mr Tushar Shah, Company Secretary attended the meetings as Secretary. Mr. Michael Homawalla, Chairman of the Audit Committee was present at the 15th AGM held on 15th July, 2009.

Sr. No.	Name of Members	Designation	Category / Status	No. of Meetings held / attended
1	Mr. Michael Homawalla	Chairman	Non-Executive Director & Independent Director	5/5
2	Mr. Jitendra Mamtara	Member	Executive Director & Non-Independent Director	5/5
3	Mr. Harish Rangwala	Member	Non-Executive Director & Independent Director	5/3
4	Mr. Sureshchandra Agarwal	Member	Non-Executive Director & Independent Director	5/5



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

4. Subsidiary Companies

Mr. Michael Homawalla, an Independent Director of the Company is Director on the Board of the non listed Indian subsidiary Companies i.e. Transpares Ltd.(51%) and Transweld Mechanical Engineering Works Ltd. (100%).

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

5. Disclosures

A. Basis of Related Party Transaction

The Company has entered into related party transactions as required by AS-18 issued by ICAI, forms part of the Note No.13 of Schedule 20 to the Accounts in the annual report. These transactions are not likely to conflict with the interest of the Company at large. All significant transactions with related parties are placed before the audit committee periodically.

B. Disclosure of accounting treatment in preparation of Financial Statement

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

C. Details of non-compliance by the Company

Your Company has complied with all the requirement of regulatory authorities. No penalty/strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital market.

D. Risk Management

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

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

The Company had raised Rs. 139.27 Crores through Issue of equity shares through IPO in the year 2007-2008 which has been fully utilized during the year under review and necessary intimation was also sent to the respective stock exchanges.

6. Remuneration Committee

A. Composition & Attendance

The Remuneration Committee comprises of three (3) Non-Executive & Independent Directors namely Mr. Michael Homawalla, Mr. Harish Rangwala & Mr. Sureshchandra Agarwal. Mr. Tushar Shah, Company Secretary attended the meeting as Secretary. One (1) Remuneration Committee Meeting was held on 28.4.2009 during the year 2009-10.

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

The Remuneration Committee of the Company reviews the remuneration of Managing/Executive Directors. The remuneration of Managing Director/Joint Managing Director and Executive Director is approved by the Remuneration Committee based on criteria such as industries benchmark, Company's performance, and industry performance/track record of the Managing Personnel of the Company. Such remuneration is decided by the Remuneration Committee in consultation with Board as per the current financial position and soundness of the Company.

**B. Terms of Reference**

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

C. Remuneration of Directors

Non-Executive Directors have no pecuniary relationship or transaction with the Company, except receiving sitting fees for attending Meetings. The Company does not pay any severance fee and no stock option is available to the directors. The aggregate value of salary, perquisites, commissions, Performance incentive & sitting fees paid to all the Directors for the year 2009-2010 are as follows:

(Rupees in Lacs)

Name of Directors	Status/ Category	Sitting Fees				Remuneration		Total
		BM	AC	SGC	RC	Fixed Salary	Performance Incentive* / Commission@	
Mr. Jitendra Mamtara@	ED & NID	-	-	-	-	95.23	70.00	165.23
Mrs. Karuna Mamtara	ED & NID	-	-	-	-	14.68	-	14.68
Mr. Satyen Mamtara*	ED & NID	-	-	-	-	58.07	24.00	82.07
Mr. Bhaskar Sen	NED & NID	0.40	-	0.20	-	-	-	0.60
Mr. Rajendra Shah	NED & ID	0.40	-	0.20	-	-	-	0.60
Mr. Harish Rangwala	NED & ID	0.20	0.225	-	0.05	-	-	0.475
Mr. Michael Homawalla	NED & ID	0.30	0.375	-	0.05	-	-	0.725
Mr. Sureshchandra Agarwal	NED & ID	0.30	0.375	-	0.05	-	-	0.725
Total		1.60	0.975	0.40	0.15	167.43	94.00	265.105

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

D. Details of Directors and their Shareholding

The details of Directors and shares held by Directors as on 31st March, 2010 are as under:

Name of Directors	Age (yrs)	Designation	Date of Appointment	Nature of Employment	No. Shares held	% held
Mr. Jitendra Mamtara	64	CMD	Since Incorporation	Contractual	8,858,992	68.55
Mrs. Karuna Mamtara	60	ED	Since Incorporation	Contractual	267,736	2.07
Mr. Satyen Mamtara	35	JMD	Since Incorporation	Contractual	97,000	0.75
Mr. Bhaskar Sen	69	Director	July 9, 2007	-	-	-
Mr. Rajendra Shah	62	Director	August 25, 2005	-	5,250	0.04
Mr. Harish Rangwala	62	Director	August 25, 2005	-	3,000	0.02
Mr. Michael Homawalla	51	Director	September 6, 2005	-	-	-
Mr. Sureshchandra Agarwal	59	Director	August 13, 2007	-	-	-

E. Management Discussion and Analysis

The Management Discussion and Analysis Report have been given separately in this Annual Report as required under Clause 49 of the Listing Agreement on Page No.29.

**E CEO/CFO Certification:**

As required under Clause 49(V) of the Listing Agreement with the stock exchanges, the Chairman & Managing Director and Chief Financial Officer of the Company have certified to the Board the financial statement for the year ended 31.03.2010.

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

The Shareholder's Grievance Committee comprises of 2 Non-Executive Directors namely Mr. Rajendra Shah & Mr. Bhaskar Sen and 1 Executive Director namely Mr. Satyen Mamtara. Mr. Tushar Shah, Company Secretary attended the meeting as Secretary.

Four Shareholder Grievance Committee meeting were held on 28.04.2009, 23.07.2009, 14.10.2009 & 27.01.2010.

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

B. Complaints

The Committee is authorized to redress the shareholder's and Investor's complaints. During the year 2009-2010, 11 Complaints were received from the shareholders and out of which 9 were resolved to the satisfaction of shareholders. There were no complaints remained unattended for more than one month as on 31.03.2010. However, 2 unresolved complaints were pending as on 31.03.2010.

C. Compliance Officer

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

D. Terms of Reference

The Shareholder's Grievance Committee specifically looks into the redressal of Investor's complaints like transfer of shares/ non-receipt of shares, non-receipt of annual reports, non-receipts of declared dividends/refund/, remat / demat request. In addition, the Committee also looks into matters which can facilitate Investors' grievance and relations.

The Equity Shares of the Company are compulsorily traded in electronic form on the stock exchanges and hence the handling of physical transfer of shares is minimal. The Board has delegated the said powers for approving transfer and transmission of shares and issue of duplicate shares to Transfer Committee. The status of transfer, duplicate etc., is periodically reported to the Committee. Other details for shareholders have been provided separately in general information for Shareholders.

8. Information about General Body Meetings**A. Annual General Meetings**

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

Financial Year	Date	Time	No. of Special Resolution	Place of Meeting
2008-2009	15-07-2009	11.00 A.M	2	Survey No. 344-350 Sarkhej-Bavla highway, Changodar, Sanand, Ahmedabad-382213
2007-2008	26-06-2008	11.00 A.M.	-	Survey No. 344-350 Sarkhej-Bavla highway, Changodar, Sanand, Ahmedabad-382213
2006-2007	11-06-2007	11.00 A.M.	-	Survey No. 344-350 Sarkhej-Bavla highway, Changodar, Sanand, Ahmedabad-382213

**B. Special Resolution**

Particulars of Special Resolution passed are as follows :

Financial Year	Date	Particulars
2008-2009	15-07-2009	1. Revision in Remuneration of Mrs. Karuna J. Mamtara 2. Revision in Remuneration of Mr. Satyen J. Mamtara

C. Postal Ballot

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

9. Non-Mandatory Requirements

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

10. Means of Communication

Financial Results for the Quarter ended :

30 th June, 2010	End of July, 2010
30 th September, 2010	End of October, 2010
31 st December, 2010	End of January, 2011
Audited Results for the year ended	45 days from the end of Quarter (i.e. on or before 15.5.2011) or 60 days from end of Financial Year (i.e. on or before 31.5.2011) (As per Clause 41 of Listing Agreement)

The Company has published its Quarterly/Half yearly Financial Results in Economic Times both in English and vernacular language where the registered office of the Company is situated as per listing agreement.

The results were also displayed on Company's web-site www.transformerindia.com. The same were also submitted to Stock Exchanges as per Clause 41 of the Listing Agreement.

The presentations made to Institutional Investors or to the Analysts were also displayed on Company's website www.transformerindia.com.



11. General Information for Shareholders

A. Annual General Meeting :

Date : Wednesday, 28th July, 2010
 Time : 11.00 a.m.
 Venue : Survey No.344-350, Opp. PWD Stores,
 Sarkhej-Bavla Highway, Changodar,
 Sanand, Dist.: Ahmedabad-382213, Gujarat

B. Financial Year : 1st April, 2009 to 31st March, 2010

C. Book Closure : The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 24th July, 2010 to Wednesday, 28th July, 2010 (both days inclusive) for the purpose of ensuing Annual General Meeting. The Dividend, if approved by shareholders at AGM, shall be paid to shareholders whose names appear :

- as beneficial owners at the end of the business day on Friday, 23rd July, 2010 as per the details available with NSDL and CDSL.
- On the Register of Members as on Friday, 23rd July, 2010 of the owners holding shares in physical form.

D. Dividend payment date : On or after Monday, 2nd August, 2010 but within the statutory time limit of 30 days from the date of approval by members.

E. Listing on Stock Exchanges & Stock Code

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

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

The Company had paid listing fees to Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. for the financial year 2010-2011.

As on 31st March, 2010, there were 44877 shareholders of the Company.

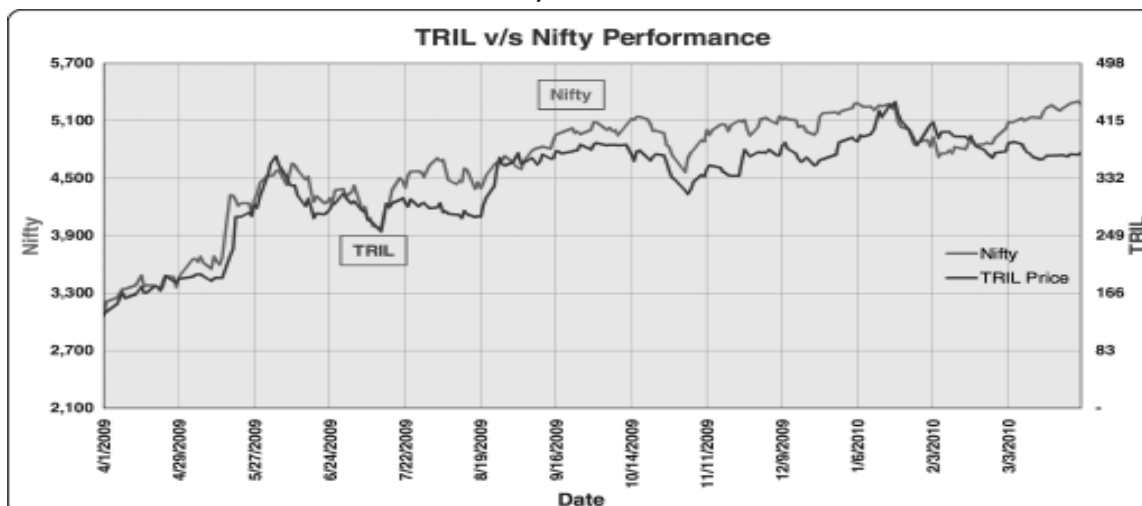
E Market Price Data

The High & Low share prices of NSE and BSE during each month compared to Sensex & Nifty during financial year 2009-10 are as under:

Month	BSE Share Price		BSE Sensex		NSE Share Price		Nifty	
	High	Low	High	Low	High	Low	High	Low
Apr-09	199.30	125.00	11492.10	9546.29	196.70	136.00	3517.25	2965.70
May-09	316.00	180.80	14930.54	11621.30	296.00	190.85	4509.40	3478.70
Jun-09	379.00	264.00	15600.30	14016.95	350.10	284.80	4693.20	4143.25
Jul-09	311.75	251.25	15732.81	13219.99	307.70	273.00	4669.75	3918.75
Aug-09	373.00	270.30	16002.46	14684.45	365.00	278.40	4743.75	4353.45
Sep-09	390.70	341.10	17142.52	15356.72	383.65	357.95	5087.60	4576.60
Oct-09	387.90	327.05	17493.17	15805.20	383.00	344.95	5181.95	4687.50
Nov-09	380.00	302.50	17290.48	15330.56	378.00	331.30	5138.00	4538.50
Dec-09	404.00	347.70	17530.94	16577.78	389.00	358.95	5221.85	4943.95
Jan-10	459.00	370.00	17790.33	15982.08	440.00	390.00	5310.85	4766.00
Feb-10	431.00	361.00	16669.25	15651.99	404.00	371.00	4992.00	4675.40
Mar-10	396.00	334.00	17793.01	16438.45	369.90	357.00	5329.55	4935.35



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



H. Registrar and Share Transfer Agent (RTA)

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

Link Intime India Pvt. Ltd.
 C-13 Pannalal Silk Mill Compound,
 L. B. S. Marg, Bhandup (West), Mumbai - 400078
 Tel No. : 022 - 25963838 - 2301
 Fax No : 022 - 25946969
 E-mail : tr.ipo@linkintime.co.in

Our RTA has a separate cell to take care of telephone calls, e-mails (rnt.helpdesk@linkintime.co.in), letters etc. received from shareholders. For this purpose we have a separate set of telephone lines on hunting, with the primary number as 022-25946970. This has been done with the best interests of shareholders for better working.

I. Share Transfer System

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

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

J. Distribution of Shareholding (As on 31st March 2010)

No. of Shares of Rs. 10/- each	Shareholders		Share Amount	
	Number	% to the Total	Rs.	% to the Total
Upto 5,000	44,485	99.1264	12,968,580	10.03
5001 - 10,000	200	0.4457	1,551,160	1.20
10,001 - 20,000	90	0.2005	1,263,600	0.98
20,001 - 30,000	39	0.0869	968,770	0.75
30,001 - 40,000	11	0.0245	407,560	0.31
40,001 - 50,000	9	0.0201	429,480	0.33
50,001 - 1,00,000	16	0.0357	1,148,340	0.89
1,00,001 & above	27	0.0602	110,498,620	85.51
Total	44,877	100.00%	129,236,110	100.00%

**K. Details of Unclaimed Shares**

As per the new clause 5A of the Listing Agreement, as on 01.04.2009, the Company had 33 cases consists of 495 unclaimed shares, allotted under the Initial Public Offering (IPO) of the Company during December, 2007. The Company has open a separate Demat Suspense Account as per the procedure prescribed under the said clause and the Company has received 3 request for credit of 45 unclaimed shares during the year under review and the same has been resolved by crediting the shares to the respective shareholder's account after proper verification of documents & their identities. As on 31.3.2010 there were 30 cases consists of 450 unclaimed shares and the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

L. Shareholding Pattern (As on 31st March 2010)

Sr. No.	Category	No. of shares	% of voting
A	Promoters Holding :		
1.	Promoters - Indian	9,928,415	76.82
B	Non Promoter Holding :		
2.	Institutional : - Mutual Fund - Financial Institutions/Banks - FII's	507,578 77,503 206,874	3.93 0.60 1.60
3.	Non-Institutional : Bodies Corporate Individuals : - Capital upto Rs.1 Lacs - Capital greater than Rs. 1 Lacs	303,528 1,601,344 211,758	2.35 12.39 1.64
4.	Any Others : - Clearing Members - NRIs - Overseas Bodies Corporate - Trusts - Directors/Relatives	34,886 42,245 115 1,115 8,250	0.27 0.33 0.00 0.01 0.06
	Grand Total	12,923,611	100.00

M. Dematerialization of Shares & Liquidity

As on 27.04.2010 :

Holding Mode	No. of Equity Shares
Dematerialized	12,923,599
Physical	12
Total	12,923,611

The trading in the Company's equity shares is compulsorily in dematerialized mode. The Company has tied up with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). Thus the investors can exercise dematerialization and transfer actions through a recognized Depository Participants (DPs) who is connected to NSDL or CDSL. Requests for dematerialization of physical shares are processed and completed within an average period of 15 days from the date of receipt of documents provided they are in order.

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

Company has no outstanding GDRs / ADRs / Warrants / Options or any convertible instruments as on 31st March 2010.



O. Plant Locations

1. Moraiya Unit, Moraiya, Ahmedabad
2. Changodar Unit, Changodar, Ahmedabad
3. Odhav Unit, Odhav, Ahmedabad
4. Fabrication Unit Odhav, Ahmedabad

P. Investor Communication

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

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,
L.B.S. Road, Bhandup (West), Mumbai – 400078
Telephone : 022-25960320, Fax : 022-25960329
E-mail : tr.ipo@linkintime.co.in, rnt.helpdesk@linkintime.co.in

For other inquiry:

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

Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

The Board of Directors of the Company has adopted Code of Conduct; followed by all members of the Board and all Senior Management Personnel of the Company in compliance with the clause 49 of the Listing Agreement with the Stock Exchanges. This Code is available on the Company's website www.transformerindia.com.

This is to confirm that the Company has received a declaration of compliance with the Code of Conduct as applicable to them from each member of the Board and Senior Management Personnel.

Place : Ahmedabad
Date : 27th April, 2010

Jitendra U. Mamtora
Chairman & Managing Director



CEO/CFO CERTIFICATION

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

- (a) We have reviewed the balance sheet and profit and loss account and all its schedules and notes on accounts, as well as the cash flow statements and the Director's Report;
 - These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;
 - These statements together present a true and fair view of the Company, and are in compliance with the existing Accounting Standards and/or applicable laws and regulations;
- (b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2010 are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- (d) We have indicated to Auditors and Audit Committee :
 - 1) There has not been any significant change in internal control over financial reporting during the year under reference;
 - 2) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - 3) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Ahmedabad
Date : 27th April, 2010

Jitendra U. Mamtara
Chairman & Managing Director

Rahul Shah
Chief Financial Officer

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

CIN : L33121GJ1994PLC022460

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

To,
The Members of
TRANSFORMERS AND RECTIFIERS (INDIA) LIMITED

In accordance with Clause 49 of the Listing Agreement entered into by Transformers and Rectifiers (India) Limited with the Stock Exchanges, I have examined all the relevant records of the Company relating to its compliance of conditions of Corporate Governance as stipulated in Clause 49 for the financial year ended on March 31, 2010.

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

In my opinion and to the best of my information and according to the explanations given to me and the re-presentations made by the Directors and the Management, I certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in above mentioned listing agreement.

As per the records maintained by the Company and information given to me by the Registrar of the Company, I have to state that there were no investor grievance remaining unattended for a period exceeding one month as on 31st March, 2010.

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

Place : Ahmedabad
Date : 27th April, 2010

Name of Company Secretary : Tapan Shah
Membership No. : FCS 4476
C. P. Number : 2839



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OUTLOOK

With global economy on the mend, India has reached that bend on Recovery Road from where it can step on the pedal and move into higher gear. Industrial output has risen more than 15% for the three straight months. However, wholesale price inflation is at 9.9%, much above RBI's raised target of 8.5%. The unchecked price rise can spoil India's long term growth as the virus spreads to various parts of the economy from just food products a few months ago. Containing inflation returns to the top agenda after stabilizing the economy over the past 12 months is the wake of the global credit crisis. Monetary policy management in 2010-11 will be dominated by the challenge of moderating inflation and anchoring inflation expectations.

Surging crude oil price and that of other commodities in the international markets shut the door of import option to cool the price rise. Central banks in emerging economies such as China, Malaysia and India are tightening monetary policies to prevent an asset price bubble getting bigger. This is reversal compared to last year's stance when they were cutting landing rates and releasing record amount of money into the system to prevent a collapse after the bankruptcy of Lehman Brothers. That led to cheap money chasing assets, creating a bubble.

Against this backdrop, RBI has just raised the repo and reversed repo rates each by 0.25 basis points. Further, the cash reserve ratio (CRR) has been increased by 0.25 basis points from 5.75% to 6%, thereby sucking out Rs 12,500 Crore from the system effective from April 24, for the banks to lend less. Aggregate economic growth forecast of analysts for the last fiscal (09-10) has been raised to 7.2% from 6.9% and to 8.2% this fiscal (10-11) from an earlier estimate of 7.9%.

If nothing untoward happens on the weather front, the FM believes that overall inflation has peaked and should be on the downward trajectory from now on. He expects that inflation will be in the bandwidth of 4 to 5.5% in 2010-11. However, God has his last phrase still on His lips! Let us hope and pray that the country gets enough rains.

POWER SECTOR OVERVIEW

1. Generation:

India's installed capacity (excluding captive plants) as of March 2009 stood at 1,47,965 MW. However the trend of under performance continued during the first three years of the 11th plan. The sector added 9,263 MW in 2007-08 (against the target of 16,335 MW) and 3,454 MW in 2008-09 (against the target of 11,061 MW). Till Nov-2009, it has added another 6000 MW. Final figures of 2009-10 are still awaited. The key reasons for under achievement include inadequate equipment capacity and shortages in fuel and skilled manpower. Estimates may vary for expected total addition during the 11th plan, but ballpark figures suggest it could range anywhere between 40,000 to 50,000 MW against the target of 78,577 MW.

It is heartening to note, however, that the private sector's contribution has been rising consistently since the passage of electricity Act, 2003. It has risen from 8.66% in March 2003 to 15.46% in March 2009.

The ultra mega power projects (UMPPs) are expected to bring in huge private investments. Two out of four awarded UMPPs have achieved financial closure and involve a total investment of Rs 364 billion. In 2008, the Power Ministry approved the next four UMPPs in line-- Kudgi in Karnataka, Bedabahal in Orissa, Cheyyur in Tamil Nadu and Munge in Maharashtra. These are positive indications. Nevertheless, there remain issues such as delays in securing clearances and commitments from state utilities for power purchase, resistance from environmentalists, coal linkages, and for free power by states, that need to be appropriately addressed.

The availability of gas in the Krishna-Godavari (KG) basin will have a positive impact on the power sector for 2009-10, the power sector has been allocated 18 mmscmd (million metric standard cubic meters per day) of gas. This is expected to lead to an additional generation of 3800-4000 MW. This may further increase in case the fertilizer sector (which gets 1st priority) does not use all the gas allocated to it as it would then automatically come to the power sector (which gets 2nd priority). The beginning of gas flows from the deep waters of the Bay of Bengal (KG basin) is set to script a new screen play for the country's energy sector. However, the unfinished agenda remains wide and deep. The country is chugging along- not necessarily in a very inspiring manner to meet its power ambition. The government needs to seriously look into the various issues that are militating against progress. Long years of indolence have to be made up for and without sacrificing quality or national interest. This is an unmatched opportunity in the hands of both the government and the supplier fraternity "POWER FOR ALL" IS NOT A MERE POLITICAL AGENDA, IT IS AN INVIOATE NATIONAL RESOLUTION.

2. Transmission:

As of March 2009, the state transmission utilities (STUs) and the central transmission utility (CTU) together owned and operated a complex transmission system comprising around 2,20,800 circuit KM of lines and over 2,88,600 MVA and 14,000 MW of substation capacity at voltages above 220 kV.



The government has set a target of 10% growth in network length and 14% growth in capacity for the 11th plan period, which should go a long way in addressing capacity constraints. It is expected that 1200 kV A.C System will emerge as the main transmission level, along with \pm 800 kV HVDC, integrated with the national grid at 765 kV AC and 400 kV AC, supported by \pm 500 kV HVDC network. Substation capacity at 765 kV level is expected to be increased from 4500 MVA in 2009 to 24500 MVA by 2012. Target during the 11th plan is to build 5400 km lines at 765 kV.

During the 11th plan, the Southern Region (SR) is planned to be synchronized with the already synchronously interconnected North-East-West (N-E-W) grid at the 765 kV level through the commissioning of Raichur-Sholapur link. This will complete the formation of an integrated national grid. Further, by the 11th plan, there will be a ring of 765 kV transmission lines interconnecting the East, West and Northern regions Via Sipat - Seoni - Bina - Gwalior - Agra - Fatehpur- Sasaram - Gaya - Ranchi - Sipat. This will facilitate power evacuation from the various upcoming thermal plants in Chattisgarh, Jharkhand and Orissa through 765 kV links from pooling points in these states.

Years of delay notwithstanding, the government's endeavour of seeking private sector participation in large power transmission projects now seems shaping up. Sterlite Technologies Ltd. was selected as the developer for the mega east-north interconnection transmission project, through competitive bidding route. Also, Reliance Power Transmission Ltd. won two mega transmission schemes for 1980 MW North Karanpura in Jharkhand and 2000 MW Talcher- stage II project in Orissa. Total cost is estimated at 4100 Crore for these two projects.

BUDGET (2010-11) HIGHLIGHTS - PROMISES & FOCUS

The budget has been essentially on expected lines. The stated intentions are to enable a quick recovery to the three year trend of over 9% GDP growth between 2005-06 and 2007-08. The promotion of inclusive growth and infrastructure development remain the government's key focus areas, with over 46% of the plan allocation being devoted to the infrastructure sector equivalent to Rs 1,735.52 billion. It provides a significant thrust to the power sector with a particular focus on RENEWABLE ENERGY. The allocation for the power sector has more than doubled to Rs. 51.3 billion for 2010-11 from Rs. 22.3 billion in 2009-10.

However, the hike in MAT from 15% to 18% of book profits will adversely affect all infrastructure sectors including the power companies.

Budget envisages a National Clean Energy Fund to finance research in clean energy projects. Proceeds will come from cess on coal production. Concessional custom duty of 5% has been proposed for machinery for Solar Power Projects. Exemption of central excise duty has been granted for specified inputs of Rotor Blades for Wind Turbines.

OPPORTUNITIES

The prospects for Transformer Industry can not be seen in isolation by de-coupling it from the likely movements in the Power Sector. Given the huge outlay of over Rs 11 trillion in the 11th and 12th Plan periods, it is not difficult to gauge the huge opportunity size. As per PWC report, Transformer Industry size in 2008-09 is estimated at Rs 11,675 cr, growing @ 17.74% CAGR over FY 04-08. There are over 200 manufacturers, though the market is dominated by organised players (about 30), who command over 75% of the market share. To retain the status, shift to better technology, product upgradation, value engineering gains focus. To cash in on the shift in demand pattern, organised sector must move up the value chain to manufacture more 400 kv and 765 kv transformers and reactors.

THREATS

The demand for transformers is dependent upon growth of generation capacity, as also expansion of transmission lines for evacuation of power. Partly it depends upon Renovation & Modernisation plans of old and inefficient Generating Plants and Exports. Although in the first 3 years of the current plan, we have achieved 22,302 MW, which is more than what we achieved in the 10th plan, the achievement is well below targets. We have been observing about 10 MVA transformer demand per MW of generation capacity added. Thus, the likely shortfall of generation capacity during the 11th plan will most certainly affect transformer demand, which, in turn, will affect price realisation and encourage players in the unorganised sector to bring in unhealthy competition.

RISKS AND CONCERN

The volatility of the copper price and the upward trend of oil price bring in some elements of risk in the operation, though stability of CRGO prices has been highly reassuring. Organised sector might not be much affected due to this. The greatest concern is related to re-attaining and sustaining the targeted GDP growth of 8-8.5% against backdrop of containing fiscal deficit to targeted 5.5% of GDP and inflation to 4%. This very optimistic scenario assumes that the global economy will not slow down. If it does, all bets on



deficit reduction are off. We are already having some ominous signs. The debt crisis in Greece is tending to spread to Portugal, Spain and Italy. This has resulted in substantial depreciation of euro. Orders booked earlier this year in Europe are proving to be unviable as the euro fetches Rs 57 as opposed to Rs 67 earlier. At the moment Europe is a big concern, as it is an imponderable not factored into the GOI equations.

THE WAY FORWARD FOR TRIL

During Jan to Dec-2009, power transformer production in India recorded close to 1,30,000 MVA. The demand for transformers is driven by three key factors :

- 1) Added generation.
- 2) Concomitant expansion of transmission lines to evacuate the power.
- 3) Stable industrial sector growth in general reflecting a strong economy, thereby creating industry demand for transformers.

We have already mentioned earlier that the actual capacity addition is well behind the targets, the worst year being 2008-09. This would obviously impact adversely the transformer demand, especially against the enhanced manufacturing capacity of the industry. As a result, price realization is expected to be lower despite increase in input costs, especially that of copper. So margins are going to be under constant pressure. It is needless to mention that competition will be fierce upto 220 kV as number of active players are far too many.

The strategic way forward for TRIL should explore all possible options to seek optimal utilization of available resources to continually increase output per unit area of manufacturing space and in shortest possible execution cycle. This would mean high level of standardization of designs, drawings, fabricated items and other components. This is particularly applicable to older units at Odhav and Changodar. Moraiya plant should look at stabilization of 400 kV manufacturing specially that of the high MVA ratings and maximization of 220 kV transformer output.

Looking at the huge prospects of 765 kV transmissions, it would be in the best interest of the Company to get set to build at least a prototype by the terminal year of the 11th plan (2011/12). It is also necessary to look into new range of products to be added in a phased manner over the years. We need to imbibe a range of skills that are not available locally, to cross-pollinate them with the ones that exist in the Company / country. To sustain growth, it would be necessary to identify the right calling cards for short term, medium term and long-term growth plans.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a well established system of internal controls and Internal Audit commensurate with its size and complexity of business. Your Company has appropriate internal control systems for business process, with regards to efficiency of operations, financial reporting, compliance with applicable laws and regulations etc. All parameters are monitored and controlled at regular interval. Internal audits are conducted by experience firm of chartered accountants in close co-ordination with company's finance department. The findings of the Audit team are discussed internally as well as in the Audit Committee meetings. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them from time to time. The Company is continuously upgrading its internal control system by adding better process control, various audit trails and use of external management assurance services.

ERP IMPLEMENTATION - BAA N LN6

The Company was working earlier on BaaN IV ERP (Enterprise Resources Planning) Since this software became outdated, the management has decided to implement ERP Ln 6.1 version. This has been successfully implemented at all units of the Company.

MAJOR DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT

This year the Company has successfully implemented Balance Score Card & online Performance Management System. The Company has developed TRIL leadership Model which is linked to performance evaluation for employees. It is also linked to individual development & promotion process. During the year, 4,250 man hours training has been given to plant personnel & executives. The Company has initiated skill enhancement programme for its workforce.



FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Comparison of various items between Financial Statements for Fiscal Year 2010 and Fiscal Year 2009:

(Rupees in Lacs)

PARTICULARS	Standalone				Consolidated			
	FY 2010		FY 2009		FY 2010		FY 2009	
	Rs.	%	Rs.	%	Rs.	%	Rs.	%
Net Sales	51,221.63	97.78%	42,124.04	96.61%	51,682.98	97.74%	42,666.16	96.56%
Trading Sales	-	-	23.00	0.05%	-	-	23.00	0.05%
Service Income	288.32	0.55%	360.72	0.83%	288.32	0.55%	360.72	0.82%
Other Income	872.03	1.67%	1,094.20	2.51%	907.75	1.71%	1,134.96	2.57%
Total Income	52,381.98	100.00%	43,601.96	100.00%	52,879.05	100.00%	44,184.84	100%
Raw Material Consumed	38,298.41	73.11%	29,750.83	68.23%	37,823.18	71.53%	29,486.29	66.73%
Trading Purchases	-	-	30.18	0.07%	-	-	30.18	0.07%
Manufacturing Expenses	1,088.49	2.08%	826.75	1.90%	1,518.20	2.87%	1,191.37	2.70%
Employee Cost	1,285.81	2.46%	868.01	1.99%	1,326.45	2.51%	899.41	2.04%
Selling, Distribution & Administration Expenses	3,301.74	6.30%	3,486.66	8.00%	3,371.50	6.38%	3,567.04	8.07%
Decrease/(Increase) in Stock	33.83	0.06%	1,131.81	2.60%	97.86	0.19%	1,149.44	2.60%
Total Expenses	44,008.28	84.01%	36,094.24	82.78%	44,137.19	83.48%	36,323.73	82.21%
EBIDTA	8,373.70	15.99%	7,507.72	17.22%	8,741.86	16.53%	7,861.11	17.79%
Finance Charge	470.38	0.90%	691.58	1.58%	5,10.07	0.96%	747.90	1.69%
Depreciation	441.06	0.84%	251.51	0.58%	475.89	0.90%	280.37	0.63%
PBT	7,462.26	14.25%	6,564.63	15.05%	7,755.90	14.66%	6,832.84	15.47%
Taxation	2,511.38	4.80%	2,152.72	4.93%	2,621.56	4.95%	2,253.16	5.10%
Minority Interest	-	-	-	-	44.22	0.08%	61.58	0.14%
Share in Profit/(Loss) of Associate	-	-	-	-	73.93	(0.14%)	5.49	(0.01%)
PAT	4,950.88	9.45%	4,411.91	10.12%	5,164.05	9.77%	4,523.59	10.24%

STANDALONE BASIS

Total income of the Company has stepped up from Rs. 43,601.96 Lacs in FY 2009 to Rs. 52,381.98 in FY 2010, thus there is an increase of 20.14% in the total income of the Company. Profit Before Taxation increased from Rs. 6,564.63 Lacs during FY 2009 to Rs. 7,462.26 Lacs during FY 2010. Profit after tax for FY 2010 stood at Rs. 4,950.88 Lacs compared to Rs. 4,411.91 Lacs during FY 2009.

CONSOLIDATED

Total income of the Company has stepped up from Rs. 44,184.84 Lacs in FY 2009 to Rs. 52,879.05 Lacs in FY 2010, thus there is increase of 19.68% in the total income of the Company. Profit Before Taxation increased from Rs. 6,832.84 Lacs during FY 2009 to Rs. 7,755.90 Lacs during FY 2010. Profit after tax for FY 2010 stood at Rs. 5,164.05 Lacs compared to Rs. 4,523.59 Lacs during FY 2009.

CAVEAT

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





Financial Statement



AUDITOR'S REPORT

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

1. We have audited the attached Balance Sheet of TRANSFORMERS & RECTIFIERS (INDIA) LIMITED ("the Company") as at 31st March, 2010, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
 - (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 Profit and Loss Account 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 Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - b) in the case of the Profit and Loss Account, 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.
5. On the basis of the written representations received from the Directors as on 31st March, 2010 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For C. C. Chokshi & Co.
Chartered Accountants
(Registration No. 101876W)

Place : Ahmedabad
Date : 27th April, 2010

H. P. Shah
Partner
Membership No. 33331



ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date

- (i) Having regard to the nature of the Company's business/activities/result, clauses (x), (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, except for stock lying at third party location for which confirmations have been obtained for the major portion of stocks confirming such holding and for goods in transit.
 - (b) 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.
- (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 purchased and services received by the Company pursuant to the contracts or arrangements, where each of such transaction is in excess of Rs.5 Lacs 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 the 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 books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of Power Transformers and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.



- (x) According to the information and explanations given to us in respect of statutory dues:
- The Company has generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2010 for a period of more than six months from the date they became payable.
 - Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2010 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rupees in Lacs)
Income Tax Act, 1961	Income tax	Income Tax Appellate Tribunal	AY 2007-08	304.72
Central Excise Act, 1944	Excise Duty	Assistant Commissioner of Central Excise	AY 2006-07 & 2009-10	1.67
Central Excise Act, 1944	Excise Duty	Central excise service tax appellate tribunal (CESTAT)	AY 2006-07, 2007-08, 2008-09 & 2009-10	241.32
Central Excise Act, 1944	Excise Duty	Commissioner (Appeals) of Central Excise	AY 2006-07, 2007-08 & 2009-10	105.97

- (xi) 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.
- (xii) 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.
- (xiii) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the Company.
- (xiv) 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.
- (xv) 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.
- (xvi) 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.
- (xvii) No debentures have been issued by the Company and hence the question of creating the securities or charges in respect thereof does not arise.
- (xviii) The Management has disclosed the end use of money raised by public issues and we have verified the same.
- (xix) 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 C. C. Chokshi & Co.
Chartered Accountants
(Registration No. 101876W)

Place : Ahmedabad
Date : 27th April, 2010

H. P. Shah
Partner
Membership No. 33331



Balance Sheet

As at 31st March, 2010

(Rupees in Lacs)

	Schedule	As At 31 st Mar 2010	As At 31 st Mar 2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	1,292.36	1,292.36
Reserves & Surplus	2	27,371.41	23,169.09
		<u>28,663.77</u>	<u>24,461.45</u>
Loan Funds			
Secured Loans	3	6,751.04	5,510.54
Deferred Tax Liability (Net)		470.30	57.41
(See note no. 16 of Schedule 20)			
TOTAL		<u>35,885.11</u>	<u>30,029.40</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	4	9,942.44	5,049.60
Less : Depreciation & Amortisation		1,436.85	997.76
Net Block		<u>8,505.59</u>	<u>4,051.84</u>
Add :- Capital Work In Progress		1,322.00	3,846.45
(See note no. 4 of Schedule 20)		<u>9,827.59</u>	<u>7,898.29</u>
Investments	5	211.19	7,821.73
Current Assets, Loans & Advances			
Inventories	6	5,150.59	5,471.74
Sundry Debtors	7	14,773.09	15,308.39
Cash & Bank Balances	8	13,309.59	1,505.91
Loans & Advances	9	1,497.30	1,129.75
		<u>34,730.57</u>	<u>23,415.79</u>
Less : Current Liabilities & Provisions	10	<u>8,884.24</u>	<u>9,106.89</u>
Net Current Assets		<u>25,846.33</u>	<u>14,308.90</u>
Miscellaneous Expenditure	11	-	0.48
(To the extent not written off)			
TOTAL		<u>35,885.11</u>	<u>30,029.40</u>
Significant Accounting Policies	19		
Notes on Accounts	20		
Schedule 1 to 20 form part of this Balance Sheet			

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered Accountants

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Joint Managing Director

H.P.Shah
Partner

Tushar Shah
Company Secretary

Place : Ahmedabad
Dated : 27th April, 2010

Place : Ahmedabad
Dated : 27th April, 2010



Profit & Loss Account

For the Year ended on 31st March, 2010

(Rupees in Lacs)

	Schedule	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
INCOME			
Sale of Goods Manufactured (Gross)		54,940.98	47,685.93
Sale of Goods Traded in		-	23.00
Service Income (Gross)		288.32	360.72
		<u>55,229.30</u>	<u>48,069.65</u>
Less : Cenvat Duty recovered on Sales & Service income (See note no. 6 of Schedule 20)		3,719.35	5,561.89
Net Sales & Service Income		51,509.95	42,507.76
Other Income	12	872.03	1,094.20
TOTAL		<u>52,381.98</u>	<u>43,601.96</u>
EXPENDITURE			
Raw materials consumed		38,298.41	29,750.83
Decrease in Stock of Finished Goods and Process Stock	13	33.83	1,131.81
Trading goods purchased		-	30.18
Manufacturing expenses	14	1,088.49	826.75
Payments to and provision for Employees	15	1,285.81	868.01
Selling, Distribution, Administrative and Other expenses	16	3,301.74	3,486.66
Interest & Finance charges	17	470.38	691.58
Depreciation & Amortisation		441.06	251.51
TOTAL		<u>44,919.72</u>	<u>37,037.33</u>
Profit Before Tax		<u>7,462.26</u>	<u>6,564.63</u>
Provision for taxation	18	2,528.80	2,168.16
Short/(Excess) provision of taxation of earlier years		(17.42)	(15.44)
Profit After Tax		<u>4,950.88</u>	<u>4,411.91</u>
Balance of Profit & Loss Account brought forward from previous year		8,472.03	5,160.42
TOTAL		<u>13,422.91</u>	<u>9,572.33</u>
AVAILABLE FOR APPROPRIATION			
Appropriations			
Proposed Dividend		646.18	516.94
Tax on Dividend		102.38	83.36
Transferred to General Reserve		500.00	500.00
Balance carried to Balance Sheet		12,174.35	8,472.03
TOTAL		<u>13,422.91</u>	<u>9,572.33</u>
Basic & Diluted Earning Per Share (Rs.) (See note no. 15 of Schedule 20)		38.31	34.14
Significant Accounting Policies	19		
Notes on Accounts	20		
Schedule 1 to 20 form part of this Balance Sheet			

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered Accountants

Jitendra U. Mamtara
Chairman & Managing Director

Satyen J. Mamtara
Joint Managing Director

H.P.Shah
Partner

Tushar Shah
Company Secretary

Place : Ahmedabad
Dated : 27th April, 2010

Place : Ahmedabad
Dated : 27th April, 2010



Cash Flow Statement

For the Year ended on 31st March 2010

(Rupees in Lacs)

Particulars	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
(A) Cash Flow from Operating Activities		
Profit before tax	7,462.26	6,564.63
Adjustments for:		
Loss on sale of fixed assets	0.72	6.04
Unrealised foreign exchange losses/(gain)	(22.07)	(141.55)
Provision for doubtful debtors	-	108.95
Dividend income	(117.03)	(427.32)
Interest income	(299.09)	(230.05)
Depreciation & Amortisation	441.06	251.51
Loss on sale of investments	0.32	1.40
Interest & Finance charges	470.38	691.58
Miscellaneous expenditure written off	0.48	0.48
Operating profit before working capital changes	<u>7,937.03</u>	<u>6,825.67</u>
Adjustment For :		
Trade & other receivables	164.66	(1,755.10)
Inventories	321.15	672.36
Trade & other payables	(5.57)	403.92
	<u>480.24</u>	<u>(678.82)</u>
Cash generated from operations	<u>8,417.27</u>	<u>6,146.85</u>
Direct taxes paid	(2,444.87)	(2,000.49)
Net cash from operating activities-(A)	<u>5,972.40</u>	<u>4,146.36</u>
(B) Cash flow from investing activities		
Purchase of fixed assets	(2,371.51)	(4,434.61)
Sale of fixed assets	0.43	9.50
Proceeds from mutual funds (Net)	7,617.41	-
Investments in mutual funds (Net)	-	(21.20)
Long term investment in associate	(12.50)	(29.00)
Long term investment in other companies	-	(5.32)
Sale of investment in other companies	5.32	-
Dividend received	113.73	411.84
Interest received	299.09	230.05
Net cash used in investing activities-(B)	<u>5,651.97</u>	<u>(3,838.74)</u>
(C) Cash flow from financing activities		
Proceeds from borrowings (Net)	1,248.11	2,074.86
Unclaimed share application money lying in escrow account	-	(134.54)
Interest & finance charges paid	(470.38)	(691.58)
Dividend & tax on dividend paid	(598.42)	(300.53)
Net cash from financing activities -(C)	<u>179.31</u>	<u>948.21</u>
Net changes in cash & cash equivalents (A+B+C)	<u>11,803.68</u>	<u>1,255.83</u>
Add : Cash & Cash equivalents-opening balance	<u>1,505.91</u>	<u>250.08</u>
Cash & Cash equivalents-closing balance	<u>13,309.59</u>	<u>1,505.91</u>
Note:		
1 Cash and cash equivalents includes:	As At 31 st Mar 2010	As At 31 st Mar 2009
Cash & Cheques on hand with scheduled banks:	5.72	5.20
In current accounts	1,062.68	4.46
In fixed deposits	12,234.70	1,492.21
Unclaimed share application money lying in escrow account	3.56	3.56
Unclaimed dividend money lying in escrow account	2.93	0.48
Total	<u>13,309.59</u>	<u>1,505.91</u>
2 Cash and cash equivalents include following amounts not available for immediate use :		
In fixed deposits	1,214.36	1,492.21
Unclaimed share application money lying in escrow account	3.56	3.56
Unclaimed dividend money lying in escrow account	2.93	0.48
3 The cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on cash flow statements issued by the Institute of Chartered Accountants of India.		
4 The previous year's figures have been regrouped wherever necessary.		

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.

Jitendra U. Mamtora

Satyen J. Mamtora

Chartered Accountants

Chairman & Managing Director

Joint Managing Director

H.P.Shah

Tushar Shah

Partner

Company Secretary

Place : Ahmedabad

Place : Ahmedabad

Dated : 27th April, 2010Dated : 27th April, 2010



Schedules Forming part of the Balance Sheet

(Rupees in Lacs)

	As At 31 st Mar 2010	As At 31 st Mar 2009
Schedule 1: Share Capital		
Authorised		
15,000,000 Equity Shares of Rs. 10/- each	1,500.00	1,500.00
	<u>1,500.00</u>	<u>1,500.00</u>
Issued, Subscribed and Paid Up		
12,923,611 Equity Shares of Rs. 10/- each fully paid up	1,292.36	1,292.36
TOTAL	<u>1,292.36</u>	<u>1,292.36</u>

Notes:

Of the above shares: -

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

Schedule 2 : Reserves & Surplus

Securities Premium Account	13,508.13	13,508.13
General Reserve		
As Per last Balance Sheet	1,188.93	688.93
Add : Amount transferred from Profit and Loss Account	<u>500.00</u>	<u>500.00</u>
	1,688.93	1,188.93
Surplus in Profit & Loss Account	12,174.35	8,472.03
TOTAL	<u>27,371.41</u>	<u>23,169.09</u>

Schedule 3 : Secured Loans

From Banks		
Cash Credit Accounts (Note: 1)	6,544.02	4,421.86
Packing Credit in Foreign Currency (Note: 1)	207.02	-
Foreign Currency Demand Loan	-	887.60
Term Loan	-	123.35
Hire Purchase Loans	-	26.80
Interest Accrued and Due	-	50.93
TOTAL	<u>6,751.04</u>	<u>5,510.54</u>

Notes:

- 1) Secured by hypothecation of current assets of the Company on paripassu basis and collaterally secured by residual value of net fixed assets of the company excluding fixed assets of Moraiya plant and also collaterally legal mortgage on paripassu basis on immovable properties situated at Changodar, Dhank and Ahmedabad and in addition to above secured by pledge of 21,10,000 equity shares of promoter and personal guarantees of some of the directors.
- 2) Payable within 12 months out of the above loans is Rs. Nil (Previous year Rs. 25.95 Lacs).

Schedules forming part of the Balance Sheet

Schedule 4 : Fixed Assets

(Rupees in Lacs)

Assets	Gross Block (At Cost)				Depreciation & Amortisation				Net Block	
	As At 1 st Apr 09	Additions	Deductions/ Adjustment	As At 31 st Mar 10	As At 1 st Apr 09	Additions	Deductions/ Adjustment	As At 31 st Mar 10	As At 31 st Mar 10	As At 31 st Mar 09
Goodwill	119.07	-	-	119.07	71.43	23.81	-	95.24	23.83	47.64
Land	164.71	14.29	-	179.00	-	-	-	-	179.00	164.71
Building	1,466.23	2,261.94	-	3,728.17	136.80	82.11	-	218.91	3,509.26	1,329.43
Plant & Machinery	2,278.37	2,114.54	-	4,392.91	496.49	227.01	-	723.50	3,669.41	1,781.88
Electrifications	248.32	185.25	-	433.57	43.75	21.37	-	65.12	368.45	204.57
Furniture, Fixtures & Office Equipments	267.27	118.91	0.67	385.51	59.38	26.33	0.37	85.34	300.17	207.89
Computer & Accessories	129.86	25.17	2.45	152.58	79.40	16.07	1.60	93.87	58.71	50.46
Computer Software	63.29	127.99	-	191.28	36.85	13.44	-	50.29	140.99	26.44
Vehicles	312.48	47.87	-	360.35	73.66	30.92	-	104.58	255.77	238.82
TOTAL	5,049.60	4,895.96	3.12	9,942.44	997.76	441.06	1.97	1,436.85	8,505.59	4,051.84
Capital Work in Progress Previous Year	2,759.76	2,314.53	24.69	5,049.60	754.90	251.51	8.65	997.76	1,322.00 4,051.84	3,846.45 2,004.86

Notes:

- Fixed assets include Rs. Nil (Previous year Rs. 77.59 Lacs) being cost of asset purchased on hire purchase basis on which the vendors have a lien.
- Capital work in progress includes Rs 84.31 Lacs (Previous year Rs. 336.41 Lacs) on account of advance against Capital Expenditure.





Schedules Forming part of the Balance Sheet

(Rupees in Lacs)

	As At 31 st Mar 2010	As At 31 st Mar 2009
Schedule 5 : Investments		
(A) Long Term Investments (Unquoted)		
Trade Investments		
<i>Investment in Subsidiary Companies</i>		
Face value Rs. 10/- each, fully paid up :		
987,768 (548,760) Equity shares of Transpares Ltd.		
(During the year 439,008 Equity shares received as Bonus)	137.19	137.19
250,000 Equity shares of Transweld Mechanical Engineering Works Ltd.	32.50	32.50
<i>Investment in Associate Company</i>		
Face value Rs. 10/- each, fully paid up :		
6,350 (5,100) Equity shares of Savas Engineering Company Pvt. Ltd.	41.50	29.00
Non - Trade Investments		
<i>Investment in other Company</i>		
Face value Rs. 10/- each, fully paid up :		
Nil (1,900) Equity shares of Benchmark HR Solutions (India) Pvt. Ltd.	-	5.32
TOTAL (A)	211.19	204.01
(B) Current Investments (Quoted)		
Non - Trade Investments		
<i>Units of Mutual funds</i>		
Face value Rs. 10/- each, fully paid up :		
13,815,337 Units of SBI SHF Ultra	-	1,382.22
5,109,227 Units of LIC Income Plus fund	-	510.92
5,769,813 Units of ICICI Flexible Income Plan	-	610.07
4,905,242 Units of HDFC Liquid Fund	-	601.37
7,975,451 Units of SBI PLF	-	800.14
9,813,631 Units of Reliance Liquid Treasury Fund	-	1,500.23
Face value Rs. 1,000/- each, fully paid up :		
121,122 Units of Reliance MMF	-	1,212.60
897,401 Units of Tata Liquid SHIF	-	1,000.17
TOTAL (B)	-	7,617.72
TOTAL (A + B)	211.19	7,821.73
Unquoted Investments		
In Subsidiary Companies	Cost price 169.69	169.69
In Associate & other Company	Cost price 41.50	34.32
In Mutual Funds	Cost price -	7,617.72
	Repurchase value -	7,617.72



Schedules Forming part of the Balance Sheet

Note: Investments purchased and sold during the year

Mutual Funds	Units	Cost Price
Reliance Liquid Plus Inst Plan	541,215.62	5,418.31
LIC Liquid Plus Fund	4,008,490.28	409.11
LIC Liquid Fund Growth Plan	7,653,508.81	915.36
LIC Liquid Fund Daily Dividend Fund	546,497.41	60.01
ICICI Prudential Flexible Income Plan	18,988,667.75	2,007.77
ICICI Prudential Short Term Fund	845,281.56	100.63
Templeton India Short Term Fund	19,206.83	206.28
Fortis Money Plus Regular Fund	5,031,048.65	503.40
SBI SHF Liquid Plus Inst Plan	26,677.54	2.67
DSP Blackrock Liquidity Fund	49,995.64	500.06
Tata Floater Fund	9,985,385.87	1,002.09
DSP Blackrock Money Manager Fund	50,086.02	501.26
UTI Cash Plus Fund	58,862.07	600.07
UTI Treasury Advantage Fund	60,059.85	600.73
ICICI Prudential Super Inst Plan	9,998,893.36	1,000.11
HDFC Floating Rate Scheme STP	16,897,156.74	1,703.39
SBI Premier Liquid Fund	3,738.63	0.38
LIC Liquid Fund	3,964,554.09	396.46
HDFC Liquid Fund	12,239,862.82	1,500.58
Reliance Treasury Inst	23,560,417.09	1,550.61
Tata Liquid Premium Fund	170,565.92	1,900.90
Fortis Overnight Fund	15,996,781.21	1,600.10
HDFC Liquid Premium Plan	6,525,990.72	800.07
Fortis Money Plus Inst Plan	8,038,983.06	804.15
LIC Savings Plus Fund	2,975,552.89	297.56

(Rupees in Lacs)

	As At 31 st Mar 2010	As At 31 st Mar 2009
--	------------------------------------	------------------------------------

Schedule 6 : Inventories

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

Stock-in -Trade

Raw Materials		
[Including goods in transit Rs. 167.30 Lacs (Previous year Rs. 115.77 Lacs)]	2,031.18	2,318.50
Finished Goods	959.63	751.04
Process Stock	2,159.78	2,402.20
TOTAL	5,150.59	5,471.74



Schedules Forming part of the Balance Sheet

(Rupees in Lacs)

	As At 31 st Mar 2010	As At 31 st Mar 2009
Schedule 7 : Sundry Debtors		
(Unsecured)		
Exceeding Six Months		
Considered good	1,980.12	2,766.68
Considered doubtful	116.95	116.95
Other Debts		
Considered good	12,792.97	12,541.71
	14,890.04	15,425.34
Less: Provision for Doubtful debts	116.95	116.95
TOTAL	14,773.09	15,308.39

Schedule 8 : Cash & Bank Balances

Cash & Cheques on hand	5.72	5.20
<u>Balances with Scheduled Banks:</u>		
- In Current accounts	1,062.68	4.46
- In Fixed Deposit accounts	12,234.70	1,492.21
[Rs. 1214.36 Lacs (Previous year Rs.1492.21 Lacs)		
Lodged with banks as securities for guarantees given by the banks]		
- Unclaimed Share application money lying in escrow account	3.56	3.56
- Unclaimed Dividend amount lying in escrow account	2.93	0.48
TOTAL	13,309.59	1,505.91

Schedule 9 : Loans & Advances

(Unsecured)

Considered Good		
Advances recoverable in cash or in kind or for value to be received	39.08	179.72
Advances to suppliers	213.04	84.86
Other advances	105.44	129.13
Deposits and balances with Government and other authorities	957.74	541.11
Other deposits	178.72	168.08
Interest receivable	3.28	26.85
TOTAL	1,497.30	1,129.75



Schedules Forming part of the Balance Sheet

(Rupees in Lacs)

	As At 31 st Mar 2010	As At 31 st Mar 2009
--	------------------------------------	------------------------------------

Schedule 10 : Current Liabilities & Provisions

Current Liabilities

Sundry Creditors :

a) Micro & Small Enterprises (Refer Note No. 8 of Schedule 20)	113.19	-
b) Others	5,206.71	5,227.48
	5,319.90	5,227.48
Due to Subsidiary Companies	486.52	466.35
Advance from customers	1,313.58	1,799.89
Other liabilities	883.97	599.56
Investor Education and Protection Fund		
Unclaimed share application money	3.56	3.56
Unclaimed dividend	2.93	0.48
Interest accrued but not due on Loans	-	3.19
TOTAL (A)	8,010.46	8,100.51

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

Provisions

Proposed dividend	646.18	516.94
Tax on proposed dividend	102.38	83.36
Provision for gratuity	-	32.75
Provision for leave encashment	46.51	17.90
Provision for taxation (Net of advance tax paid)	78.71	355.43
TOTAL (B)	873.78	1,006.38
TOTAL (A + B)	8,884.24	9,106.89

Schedule 11 : Miscellaneous Expenses

(To the extent not written off or adjusted)

Share Issue Expense	0.48	0.96
Less : written off	0.48	0.48
TOTAL	-	0.48



Schedules Forming part of the Profit and Loss Account

(Rupees in Lacs)

	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
Schedule 12 : Other Income		
Interest Received on fixed deposits with Banks [Tax deducted at source:- Rs. 31.48 Lacs (Previous year Rs 41.13 Lacs)]	299.09	230.05
Interest Received from Others [Tax deducted at source:- Rs. 0.11 Lacs (Previous year Rs 1.49 Lacs)]	7.99	12.26
Dividend Income		
On Trade Investment - From a subsidiary companies	29.76	26.46
On Non Trade Investments - Investments in mutual funds	87.27	400.86
Sale of scrap	232.73	274.45
Insurance claim received	32.14	52.25
Cash discount received	110.89	54.15
Bad debts recovered	6.00	3.72
Foreign exchange gain (Net)	47.57	-
Miscellaneous Income	18.59	40.00
TOTAL	872.03	1,094.20

Schedule 13 : Decrease in Stock of Finished Goods and Process Stock

Closing Stock		
Finished Goods	959.63	751.04
Process Stock	2,159.78	2,402.20
	3,119.41	3,153.24
Less : Opening Stock		
Finished Goods	751.04	733.91
Process Stock	2,402.20	3,551.14
	3,153.24	4,285.05
TOTAL	33.83	1,131.81

Schedule 14 : Manufacturing Expenses

Power & Fuel	245.98	147.76
Repairs		
Plant and Machinery	129.08	96.55
Factory Building	33.55	22.51
Tools purchase	87.86	35.85
Workers wages	204.55	140.50
Testing charges & other manufacturing expenses	353.31	373.05
Cenvat duty provided on stocks	34.16	10.53
TOTAL	1,088.49	826.75



Schedules Forming part of the Profit and Loss Account

(Rupees in Lacs)

	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
--	--	--

Schedule 15 : Payments to and Provisions for Employees

Salaries, Bonus, Gratuity etc.	1,172.42	811.30
Contribution to Provident and other Funds	53.25	39.27
Employee welfare expenses	60.14	17.44
TOTAL	1,285.81	868.01

Schedule 16 : Selling, Distribution, Administrative and Other Expenses

Selling expenses	464.33	294.93
After sales expenses	673.88	-
Discount, rebates & allowances	29.29	91.40
Advertisement expenses	79.11	66.36
Stationary, Printing, Postage and Telephone expenses	89.99	96.55
Insurance	63.37	38.78
Rent	14.48	11.66
Repairs		
Office building	0.18	2.50
Others	9.92	6.24
Rates and Taxes	0.24	1.24
Travelling expenses & Conveyance	297.94	273.85
Directors sitting fees	2.75	2.53
Bank charges	370.21	323.57
Legal & Professional charges	74.79	71.88
Audit fees	10.00	8.00
Sales commission	154.86	235.03
Late delivery charges	739.64	1,662.61
General charges	106.22	130.37
Premium on forward contracts amortised	9.64	9.95
Provision for doubtful debts	-	108.95
Bad debts written off	21.47	6.55
Foreign exchange loss (Net)	-	18.80
Cenvat duty expense	87.91	7.15
Central sales tax expenses	-	9.84
Loss on sale of fixed assets	0.72	6.04
Loss on sale of investments	0.32	1.40
Miscellaneous expenses written off :		
Share issue expenses	0.48	0.48
TOTAL	3,301.74	3,486.66



Schedules Forming part of the Profit and Loss Account

(Rupees in Lacs)

	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
Schedule 17 : Interest & Finance Charges		
Interest on fixed loans from		
Banks	339.53	536.95
Directors	-	57.95
	339.53	594.90
Interest - Others	37.67	43.40
Discount on Commercial Paper Amortised	27.95	-
Bill Discounting charges	65.23	53.28
TOTAL	470.38	691.58

Schedule 18 : Provision for Taxation

Current Tax (Including Wealth Tax)	2,115.91	2,085.00
Deferred Tax	412.89	57.66
Fringe Benefit Tax	-	25.50
TOTAL	2,528.80	2,168.16



Schedule 19 : Significant Accounting Policies

1) **Accounting Convention**

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

2) **Use of Estimates**

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

3) **Fixed Assets**

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

4) **Depreciation and Amortisation**

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

5) **Investments**

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

6) **Inventories**

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

7) **Revenue Recognition**

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

8) **Sales/Service Income**

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

9) **Cenvat credit**

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



10) **Foreign Currency Transactions**

- a) Monetary items denominated in foreign currency are translated at the exchange rate prevailing on the last day of the accounting year. Foreign currency transactions are accounted at the rate prevailing on the date of transaction.
- b) Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.
- c) Gain or loss arising out of translation/conversion is taken credit for or charged to the Profit and Loss Account.

11) **Prior Period Expenses/Income**

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

12) **Employees Benefits**

- a) **Defined Contribution Plan**

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

- b) **Defined Benefit Plan**

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

13) **Borrowing Cost**

Interest and other costs in connection with the borrowings of the funds to the extents related/attribution to the acquisition / construction of qualifying fixed assets are capitalised upto the date when such assets are ready for their intended use and other borrowing costs are charged to profit and loss account.

14) **Miscellaneous Expenditure**

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

15) **Taxes on Income**

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

16) **Leases**

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

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

17) **Earnings Per Share**

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.

18) **Provisions, Contingent Liabilities and Contingent Assets**

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

**Schedule 20 : Notes Forming Part of Accounts****1. Contingent Liabilities in respect of :**

(Rupees in Lacs)

Particulars	As At 31 st Mar 2010	As At 31 st Mar 2009
a) Disputed demand of Central Excise Department/ Income Tax Department	653.68	292.47
b) Guarantee given by bankers on behalf of Company	13,042.85	11,712.96
c) Corporate Guarantees of Rs. 1281.00 Lacs given by Company for loan taken by a subsidiary company	443.90	452.87
d) Performance Guarantees given by Company	111.05	72.87
e) Bills Discounted with Banks	3,135.90	675.91
f) Import duty benefit towards duty free import of raw materials made in respect of which export obligations are yet to be discharged.	7.94	105.83
g) Claims against Company not acknowledged as debts	Amount not ascertained	Amount not ascertained

2. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for is Rs. 25.00 Lacs (Previous year Rs. 1,348.51 Lacs).

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

(Rupees in Lacs)

Particulars	Amount
Funds raised through the Initial Public Offering	<u>13,926.75</u>
Utilisation of Funds till 31 st March 2010 :	
- Expenditure on development /construction of the project as stated in the object clause of the Prospectus	6,969.00
- Repayment of high cost debts	2,450.00
- Towards working capital requirement	4,041.68
- Share issue expenses	<u>466.07</u>
Total Fund Utilized	13,926.75

4. Capital work in progress includes Preoperative expenditure and Project expenses pending allocation to a project under implementation are as under:

(Rupees in Lacs)

Particulars	As At 31 st Mar 2010	As At 31 st Mar 2009
Opening Balance	19.06	59.12
Add:		
Consultancy/Professional charges	19.59	3.32
Electricity expenses	9.80	23.79
Personnel cost	48.05	9.74
Labour cost	18.56	9.79
Other expenses	<u>64.44</u>	<u>36.05</u>
(A)	179.50	141.81
Less:		
Capitalised during the Year	<u>179.50</u>	<u>122.75</u>
(B)	179.50	122.75
Closing Balance	(A-B) <u>-</u>	<u>19.06</u>



Details of Preoperative expenses capitalised during the year :

	(Rupees in Lacs)	
Fixed Assets	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
Land	-	7.74
Building	0.16	66.65
Plant & Machinery	172.40	43.74
Electrification	6.94	4.61
Computer & Accessories	-	0.01
TOTAL	179.50	122.75

5. The stock of raw materials amounting to Rs. 724.95 Lacs (Previous year Rs. 963.46 Lacs) was with the job workers for further processing at the close of the year. Out of which confirmations have been received for Rs. 667.57 Lacs (Previous year Rs. 910.84 Lacs).

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

7. Profit and Loss Account includes

1. Managerial Remuneration :

	(Rupees in Lacs)	
Particulars	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
i) Chairman & Managing Director's Remuneration (One)		
Salary	90.00	90.00
House Rent Allowance	3.60	3.60
Contribution to provident fund	0.09	0.09
Other Allowance	1.54	1.62
Commission	70.00	65.00
TOTAL	165.23	160.31
ii) Joint Managing Director's Remuneration (One) : (Previous Year (Two))		
Salary	48.00	46.88
House Rent Allowance	9.60	5.34
Contribution to provident fund	0.09	0.09
Performance Incentive	24.00	18.00
Other Allowance	0.38	1.58
TOTAL	82.07	71.89
iii) Executive Director's Remuneration (One)		
Salary	12.00	6.00
House Rent Allowance	2.40	1.20
Contribution to provident fund	0.09	0.09
Other Allowance	0.19	-
TOTAL	14.68	7.29

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

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

(Rupees in Lacs)		
Particulars	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
Profit as per Profit and Loss account	4,950.88	4,411.91
Add:		
Provision for Taxation	2,511.38	2,152.72
Managerial Remuneration (Including Commission)	261.98	239.49
Director's Sitting Fees	2.75	2.53
Depreciation (as per accounts)	441.06	251.51
Loss on sale of investments	0.32	1.40
Loss on sale of fixed assets	0.72	6.04
Provision for doubtful debts & advances	-	108.95
Share issue expenses written off	0.48	0.48
TOTAL	(A) 8,169.57	7,175.03
Less : Depreciation (as per Section 350)	(B) 441.06	251.51
Net Profit	(A-B) <u>7,728.51</u>	<u>6,923.52</u>
Remuneration @ 10%	772.85	692.35
Commission : (Subject to the overall ceiling laid down in section 193 and section 309 of the Companies Act, 1956)		
i) 1% of Net Profit to the Managing Director	77.28	69.24
ii) Restricted to	70.00	65.00

2. Auditors Remuneration :

(Rupees in Lacs)		
Particulars	For the year ended on 31 st Mar 2010	For the year ended on 31 st Mar 2009
Audit Fees	10.00	8.00
Tax Audit Fees	1.75	1.00
Certification and other matters	2.98	1.18
	<u>14.73</u>	<u>10.18</u>

Payments made to firms in which some of the partners of audit firm are partners is Rs. 5.27 Lacs (Previous year Rs. 1.05 Lacs)

8. The Company has amounts dues to Micro & Small Enterprises under The Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act) as at 31st March, 2010.

(Rupees in Lacs)		
Particulars	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at 31st March, 2010.		
Principal Amount	113.19	-
Interest	3.26	-
ii) The amount of the interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending 31st March, 2010.		
Principal Amount	-	-
Interest	-	-
iii) The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year).	3.26	-
iv) The amount of interest accrued and remaining unpaid for the year ending 31st March, 2010.	3.26	-
v) The amount of further interest remaining due and payable for the earlier years.	-	-



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

9. Tax assessment of the Company under Income Tax Act, 1961, has been completed up to Financial Year 2005-06 and the sales tax assessment up to Financial Year 2005-06.

10. Disclosures regarding Derivative Instruments :

(A) The company uses forward exchange contracts to hedge its exposure in foreign currency. There are no contracts entered into for the purpose of speculation.

(B) The information on derivative instruments as on 31st March, 2010 is as follows:

Exposure hedged by Derivative instruments

(Amount in Lacs)

Particulars	No. of Contracts		Foreign Currency Amount		Reporting Currency Amount (INR)	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Forward cover for Import Payable -Euro	1	-	4.05	-	266.17	-

Unhedged Exposures

(Amount in Lacs)

Particulars	Foreign Currency Amount		Reporting Currency Amount (INR)	
	2009-10	2008-09	2009-10	2008-09
Loan Outstanding				
USD	4.59	-	207.02	-
Accounts Receivable				
USD	12.00	19.25	541.86	976.36
EURO	-	3.61	-	243.63
Account Payable				
USD	10.30	20.71	464.93	1050.63
EURO	4.05	-	266.17	-

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

**11. Employee Benefits****A) Defined Benefit Plans :**

(Rupees in Lacs)

Particulars	Gratuity		Leave Encashment	
	2009-10	2008-09	2009-10	2008-09
i Expenses recognized in Profit & Loss Account for the Year				
Current service cost	18.27	17.54	41.25	6.57
Interest Cost	5.03	3.28	1.48	1.18
Expected return on plan assets	(4.81)	(2.41)	-	-
Net actuarial losses (gains)	(6.76)	2.61	(14.12)	(3.66)
Total Expenses	11.73	21.02	28.61	4.09
ii Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit				
Opening defined benefit obligation	61.01	41.04	17.90	14.72
Service cost	18.27	17.54	41.25	6.57
Interest cost	5.03	3.28	1.48	1.18
Actuarial losses (gains)	(4.00)	0.19	(14.12)	(3.66)
Losses (gains) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Benefits paid	(6.24)	(1.04)	-	(0.91)
Closing defined benefit obligation	74.07	61.01	46.51	17.90
iii Reconciliation of Opening and Closing balances of changes in fair Value of plan assets				
Opening fair value of plan assets	28.25	28.54	-	-
Expected return on plan assets	4.81	2.41	-	-
Actuarial gains and (losses)	2.75	(2.41)	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	63.00	-	-	-
Benefits paid	(6.24)	(0.29)	-	-
Closing balance of fair value of plan assets	92.58	28.25	-	-
iv Net Liability recognized in the Balance Sheet				
Defined Benefit Obligation	74.07	61.01	46.51	17.90
Fair Value of plan assets	92.58	28.25	-	-
Present Value of unfunded obligation recognized as liability	(18.51)	32.76	46.51	17.90
v Actual Return On Plan Assets	-	-	-	-
vi Major categories of Plan Assets as a percentage of total plan assets are as follows:				
Policy of Insurance	100%	100%	-	-
vii Actuarial Assumptions	As at 31st Mar 2010			
Discount Rate	8.25%			
Expected rate of return on plan assets	8.5% Based on LIC Structure of interest rates on gratuity funds			
Expected rate of salary increase	6%			
Mortality	LIC (1994-96) published table of 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 :

During the year, Rs. 53.25 Lacs (Previous year Rs. 39.27 Lacs) recognised as an expense and included in the Schedule 15 of Profit and Loss Account under the head "Contribution to Provident and other funds".

**12. Segment Reporting****(A) Primary Segment :**

In accordance with the requirements of Accounting Standard-17 on Segment Reporting, the Company has determined its business segment as “Electric Transformer”. Since all of the Company’s business is from “Electric Transformer”, there are no other primary reportable segments. Thus the segment revenue, segment result, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, the total amount of charge for depreciation during the year are reflected in the financial statement as of and for the year ended 31st March, 2010.

(B) Secondary Segment (Geographical Segment) :

(Rupees in Lacs)

Particulars	India		Outside India		Total	
	For the year ended on	For the year ended on	For the year ended on	For the year ended on	For the year ended on	For the year ended on
	31 st Mar 2010	31 st Mar 2009	31 st Mar 2010	31 st Mar 2009	31 st Mar 2010	31 st Mar 2009
Revenue	44,891.94	40,709.31	6,618.01	1,798.45	51,509.95	42,507.76
Carrying Amounts of Segment Assets	44,227.49	37,916.30	541.86	1,219.99	44,769.35	39,136.29
Capital Expenditure	2,368.39	4,410.42	-	-	2,368.39	4,410.42

13. Related Party Transactions**(a) Names of related parties and description of relationship**

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



(b) Details of transactions with related parties :

(Rupees in Lacs)

	Particulars	2009-10	2008-09
(A)	Volume of Transactions		
1)	Service Received		
	Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	48.04	42.02
	Transpares Ltd.	0.36	7.98
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Allied Electrical Industries	-	27.24
	Benchmark HR Solutions (India) Pvt. Ltd.	3.55	3.88
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	77.21	-
2)	Service Rendered		
	Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	6.92	-
3)	Purchase of Goods		
	Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	1,224.01	1,270.23
	Transpares Ltd.	1,216.44	962.94
	Enterprise over which Key Managerial Personnel is able to exercise Significant Influence		
	Transpower	-	3.36
4)	Sale of Goods		
	Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	41.42	11.23
	Transpares Ltd.	3.38	-
	Enterprise over which Key Managerial Personnel is able to exercise Significant Influence		
	Allied Electrical Industries	-	3.36
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	3.23	1.65
5)	Capital Goods Purchased		
	Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	14.83	75.18
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	3.77	306.35
6)	Investment in Associate		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	12.50	29.00
7)	Investment in Enterprise		
	Enterprise over which Key Managerial Personnel is able to exercise Significant Influence		
	Benchmark HR Solutions (India) Pvt. Ltd.	-	7.00
8)	Payment for Acquisition of Shares		
	Relatives of Key Managerial Personnel		
	Mrs. Akanksha Mamtara (Savas Engineering Company Pvt. Ltd.)	-	29.00

	Particulars	2009-10	2008-09
9)	Bonus Shares Received Subsidiaries Transpare Ltd. (During the year ended 31 st March, 2010, 4,39,008 Nos Equity Shares fully paid up were allotted as Bonus Shares)	-	-
10)	Sale of Equity Shares Relatives of Key Managerial Personnel Mrs. Akanksha Mamtora (Sale of 1,900 (600)Equity Shares of Benchmark HR Solutions (India) Pvt. Ltd.)	5.32	1.68
11)	Loan taken/repaid and Interest thereon Key Managerial Personnel Mr. Jitendra U. Mamtora Loan taken Loan repaid Interest Balance at 31 st March Balance at 1 st April Mr. Satyen J. Mamtora Loan taken Loan repaid Interest Balance at 31 st March Balance at 1 st April Mrs. Karuna J. Mamtora Loan taken Loan repaid Interest Balance at 31 st March Balance at 1 st April Enterprises over which Key Managerial Personnel is able to exercise Significant Influence Mr. Jitendra U. Mamtora (HUF) Loan taken Loan repaid Interest Balance at 31 st March Balance at 1 st April	- - - - - - - - - - - - - - - - - - -	226.20 298.95 18.77 - 53.98 1.95 2.40 0.18 - 0.27 7.16 35.72 3.21 - 25.35 56.94 57.84 0.76 - 0.14
12)	Managerial Remuneration Key Managerial Personnel Mr. Jitendra U. Mamtora Mr. Satyen J. Mamtora Mrs. Karuna J. Mamtora Mr. Bhaskar Sen	165.23 82.07 14.68 -	160.31 57.09 7.29 14.80
13)	Dividend Paid Key Managerial Personnel Mr. Jitendra U. Mamtora Mr. Satyen J. Mamtora Mrs. Karuna J. Mamtora Enterprises over which Key Managerial Personnel is able to exercise Significant Influence Mr. Jitendra U. Mamtora (HUF) Relatives of Key Managerial Personnel Ms. Janki J. Mamtora Mr. Bipin Mamtora Mr. Dilip Mamtora	354.36 3.88 10.71 27.32 0.85 0.00 0.00	177.18 1.94 5.35 13.66 0.43 0.00 0.00



	Particulars	2009-10	2008-09
14)	Dividend Received from Subsidiaries		
	Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	10.00	-
	Transpares Ltd.	16.46	10.97
(B)	Balance at the end of the period		
1)	Due to Subsidiaries		
	Transweld Mechanical Engineering Works Ltd.	74.92	160.17
	Transpares Ltd.	411.60	408.40
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Benchmark HR Solutions (India) Pvt. Ltd.	0.66	-
2)	Due From Associate Company		
	Savas Engineering Company Pvt. Ltd.	126.52	29.28
	(Maximum outstanding during the year Rs. 126.78 Lacs (Previous year Rs.159.52 Lacs)		

14. LeasesOperating Lease

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

(Rupees in Lacs)

Particulars	For the year ended on 31st March 2010	For the year ended on 31st March 2009
Office Premises	5.37	5.06
Godown	2.34	2.34

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

15. Earning Per Share

Particulars		For the year ended on 31st March 2010	For the year ended on 31st March 2009
Net Profit for the period (Rupees in Lacs)	(A)	4,950.88	4,411.91
Weighted Average number of equity shares	(B)	12,923,611	12,923,611
EPS (Basic & Diluted)	(A) / (B)	38.31	34.14
Nominal value of Equity Shares		10.00	10.00

16. Components of Deferred Tax Liability are as under

(Rupees in Lacs)

Particulars		As at 31st Mar 2010	As at 31st Mar 2009
(A) Deferred Tax Liability			
Difference between book and tax depreciation		646.07	272.80
Total	(A)	<u>646.07</u>	<u>272.80</u>
(B) Deferred Tax Assets			
Disallowance under Income tax Act, 1961		49.04	56.97
Tax benefit on share issue expenses set off against share premium.		126.73	158.42
Total	(B)	<u>175.77</u>	<u>215.39</u>
Net Deferred Tax Liability	(A) – (B)	<u>470.30</u>	<u>57.41</u>



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

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

	Unit	For the year ended on 31 st March 2010	For the year ended on 31 st March 2009
Licensed Capacity :	MVA	N.A.	N.A.
Installed Capacity :	MVA	23,200	7,200

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

(Rupees in Lacs)

Product/ Year	Opening Stock		Production	Turnover		Closing Stock	
	Qty (Nos)	Amount (Rs.)	Qty (Nos)	Qty (Nos)	Amount (Rs.)	Qty (Nos)	Amount (Rs.)
1) Electric Transformer							
2009-10	15	751.04	530	524	51,509.95	21	959.63
2008-09	14	733.91	382	381	42,507.76	15	751.04

2) Trading items

Product/ Year	Opening stock		Purchase	Turnover		Closing Stock	
	Qty (Nos)	Amount (Rs.)	Qty (Nos)	Qty (Nos)	Amount (Rs.)	Qty (Nos)	Amount (Rs.)
Others							
2009-10	-	-	-	-	-	-	-
2008-09	-	-	14	14	23.00	-	-

(c) Particulars of Raw Material consumed

(Rupees in Lacs)

Indigenous	Unit	For the Year Ended on 31 st Mar 2010		For the Year Ended on 31 st Mar 2009	
		Qty	Value	Qty	Value
Copper Wire	Kgs	3,073,789	10,096.19	2,205,998	7,313.60
Lamination	Kgs	6,562,797	12,907.30	4,390,007	8,865.81
Transformer Oil	Lts	5,850,973	2,083.23	5,151,846	1,446.90
Radiators	Nos	3,739	1,169.49	2,399	719.51
Others			12,042.20		11,405.01
Total			38,298.41		29,750.83

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

(Rupees in Lacs)

Particulars		For the Year Ended on 31 st Mar 2010		For the Year Ended on 31 st Mar 2009	
			%		%
Raw Materials	Imported	3,855.04	10.07	2,974.10	10.00
	Indigenous	34,443.37	89.93	26,776.73	90.00
	Total	38,298.41	100.00	29,750.83	100.00
Tools	Imported	-	-	-	-
	Indigenous	87.86	100.00	35.85	100.00
	Total	87.86	100.00	35.85	100.00

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

(Rupees in Lacs)

Particulars		For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
i] Raw Materials		3,855.04	2,974.10
ii] Capital Goods		235.70	1048.35

(f) Expenditure in Foreign Currency

Particulars	(Rupees in Lacs)	
	For the year ended on 31 st March 2010	For the year ended on 31 st March 2009
i] Traveling	39.72	49.54
ii] Other	24.56	55.06
iii] Commission	600.06	-

(g) Earnings in Foreign Currency

Particulars	(Rupees in Lacs)	
	For the year ended on 31 st March 2010	For the year ended on 31 st March 2009
i] FOB Value of Export	6,618.01	1,798.45

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

As Per our attached report of even date.

For C.C.Chokshi & Co.
Chartered Accountants

For and on behalf of board

H. P. Shah
Partner

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Joint Managing Director

Tushar Shah
Company Secretary

Date : 27th April, 2010
Place : Ahmedabad

Date : 27th April, 2010
Place : Ahmedabad

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

(Rupees in Lacs)

1. REGISTRATION DETAILS

Registration No. (CIN) : L33121GJ1994PLC022460 State Code No. : 04
 Balance Sheet Date : 31.03.2010

2. CAPITAL RAISED DURING THE YEAR

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

3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS :

Total Liabilities : Rs. 35,885.11 Total Assets : Rs. 35,885.11

SOURCES OF FUNDS:

Paid up Capital : Rs. 1,292.36 Reserve & Surplus : Rs. 27,371.41
 Secured Loans : Rs. 6,751.04 Unsecured Loans : Rs. Nil
 Deferred Tax Liability : Rs. 470.30

APPLICATION OF FUNDS:

Net Fixed Assets : Rs. 9,827.59 Investment : Rs. 211.19
 Net Current Assets : Rs. 25,846.33 Misc. Expenditure : Rs. Nil

4. PERFORMANCE OF COMPANY:

Turnover (including other income) : Rs. 52,381.98 Total Expenditure : Rs. 44,919.72
 Profit Before Tax : Rs. 7,462.26 Profit After Tax : Rs. 4,950.88
 Earning per share : Rs. 38.31 Dividend Rate : 50%

5. GENERIC NAME OF PRINCIPAL PRODUCT OF THE COMPANY

Item Code No. 8504

Product Description: - Electric Transformer

For and on behalf of the Board

Jitendra U. Mamtora
 Chairman & Managing Director

Satyen J. Mamtora
 Joint Managing Director

Tushar Shah
 Company Secretary

FINANCIAL DETAILS OF SUBSIDIARY COMPANIES

Details of Subsidiary Companies pursuant to the Central Government Order no. 47/191/2010-cl-iii dated 17.3.2010 under Section 212(8) of the Companies Act, 1956 (Rupees in Lacs)		
Particulars	Transpares Ltd.	Transweld Mechanical Engineering Works Ltd.
Share Capital	193.68	25.00
Reserves	470.93	313.57
Total Assets	1,137.59	381.37
Total Liabilities	1,137.59	381.37
Investments	11.25	-
Turnover	1,511.26	1,131.87
Profit before Taxation	204.38	117.18
Provision for Taxation	68.81	41.36
Profit after Taxation	135.56	75.82
Proposed Dividend	38.74	10.00

For and on Behalf of the Board

Place : Ahmedabad
 Date : 27th April, 2010

Jitendra U. Mamtora
 Chairman And Managing Director



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

(Rupees in Lacs)

Sr. No.	Name of the Subsidiary Companies	Transweld Mechanical Engineering Works Ltd.	Transpares Ltd.
1	Financial Year of the Subsidiary Company ended on	31 st Mar 2010	31 st Mar 2010
2	Share of the Subsidiary held on the above date		
	a) Number of Equity Shares	2,50,000	9,87,768
	b) Face Value	Rs.10/-	Rs.10/-
	c) Extent of Holding	100%	51%
3	Net aggregate amount of profit/loss of the subsidiary for the above financial year so far as they concern the members of the Company		
	a) dealt with in the accounts of the Company for the period ended 31st March, 2010	-	69.14
	b) not dealt with in the accounts of the Company for the period ended 31st March, 2010	75.82	66.42
4	Net aggregate amount of the profit/loss of the subsidiary for the previous financial years so far as they concern the members of the Company.		
	a) dealt with in the accounts of the Company for the period ended 31st March, 2009	-	64.26
	b) not dealt with in the accounts of the Company for the period ended 31st March, 2009	84.27	66.89
5	Material changes between the end of the subsidiary's financial year and 31st March, 2010	N.A.	N.A.
	a) Fixed Assets	-	-
	b) Investment made	-	-
	c) Money lent by the Subsidiary	-	-
	d) Money borrowed by the Subsidiary Company other than for meeting current liabilities	-	-
	e) Investment disposal	-	-
	f) Share Capital	-	-

For and on behalf of board

Date : 27th April, 2010

Place : Ahmedabad

Jitendra U. Mamtora

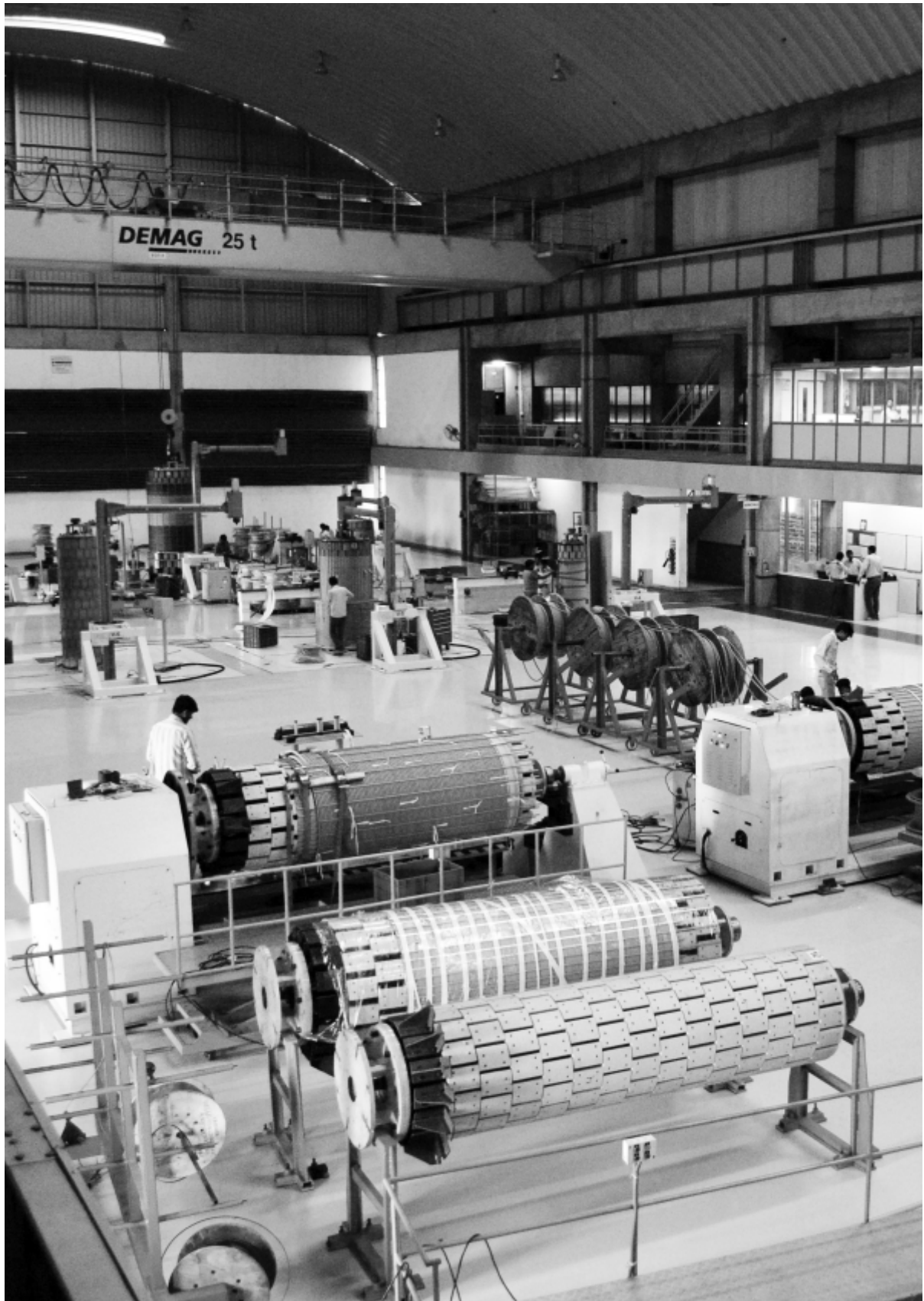
Chairman & Managing Director

Satyen J. Mamtora

Joint Managing Director

Tushar Shah

Company Secretary





*Consolidated
Financial
Statement*



AUDITOR'S REPORT on Consolidated Financial Statements

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

1. We have audited the attached Consolidated Balance Sheet of TRANSFORMERS & RECTIFIERS (INDIA) LIMITED ("the Company"), its subsidiaries (the Company and its subsidiaries constitute "the Group") as at 31st March, 2010, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in associates accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of a subsidiary company Transweld Mechanical Engineering Works Limited, whose financial statements reflect total assets of Rs. 479.73 Lacs, as at 31st March, 2010, total revenues of Rs. 1,193.24 Lacs and net cash inflows amounting to Rs. 16.57 Lacs for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of the aforesaid subsidiary is based solely on the reports of the other auditors.
4. We did not audit the financial statements of the associate company Savas Engineering Company Private Limited. The Company's share of profit in the said associate company aggregates to Rs. 73.93 Lacs for the year ended 31st March 2010. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of the aforesaid associate company is based solely on the reports of the other auditors.
5. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), Accounting Standard 23 (Accounting for Investment in Associates in Consolidated Financial Statements) as notified under the Companies (Accounting Standards) Rules, 2006.
6. Based on our audit and on consideration of the separate audit reports on the individual financial statements of the Company, and the aforesaid subsidiaries and associate, and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2010;
 - (ii) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For C. C. Chokshi & Co.
Chartered Accountants
(Registration No. 101876W)

Place : Ahmedabad
Date : 27th April 2010

H. P. Shah
Partner
Membership No. 33331

**Consolidated Balance Sheet****As at 31st March, 2010**

(Rupees in Lacs)

	Schedule	As At 31 st Mar 2010	As At 31 st Mar 2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	1,292.36	1,292.36
Reserves & Surplus	2	27,956.46	23,549.21
		<u>29,248.82</u>	<u>24,841.57</u>
Minority Interest		325.66	281.44
Loan Funds			
Secured Loans	3	7,215.65	6,088.75
Deferred Tax Liability (Net)		521.48	95.53
(See note no. 15 of Schedule 20)			
TOTAL		<u>37,311.61</u>	<u>31,307.29</u>
APPLICATION OF FUNDS			
Fixed Assets	4		
Gross Block		10,707.68	5,604.95
Less : Depreciation & Amortisation		<u>1,571.63</u>	<u>1,097.71</u>
Net Block		9,136.05	4,507.24
Add :- Capital Work In Progress		<u>1,604.87</u>	<u>4,134.63</u>
(See note no. 5 of Schedule 20)		10,740.92	8,641.87
Investments	5	132.17	7,665.45
Current Assets, Loans & Advances			
Inventories	6	5,520.73	5,812.79
Sundry Debtors	7	14,858.95	15,623.40
Cash & Bank Balances	8	13,375.11	1,541.55
Loans & Advances	9	<u>1,518.96</u>	<u>1,114.18</u>
		35,273.75	24,091.92
Less : Current Liabilities & Provisions	10	<u>8,835.23</u>	<u>9,092.78</u>
Net Current Assets		26,438.52	14,999.14
Miscellaneous Expenditure	11	-	0.83
(To the extent not written off)			
TOTAL		<u>37,311.61</u>	<u>31,307.29</u>
Significant Accounting Policies	19		
Notes on Accounts	20		
Schedule 1 to 20 form part of this Balance Sheet			

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered AccountantsJitendra U. Mamtora
Chairman & Managing DirectorSatyen J. Mamtora
Joint Managing DirectorH.P.Shah
PartnerTushar Shah
Company SecretaryPlace : Ahmedabad
Dated : 27th April, 2010Place : Ahmedabad
Dated : 27th April, 2010



Consolidated Profit & Loss Account

For the Year ended on 31st March, 2010

(Rupees in Lacs)

	Schedule	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
INCOME			
Sale of Goods Manufactured (Gross)		55,636.90	48,294.66
Sale of Goods Traded in		-	23.00
Service Income (Gross)		288.32	360.72
		55,925.22	48,678.38
Less : Cenvat Duty recovered on Sales & Service income (See note no. 7 of Schedule 20)		3,953.92	5,628.50
Net Sales & Service Income		51,971.30	43,049.88
Other Income	12	907.75	1,134.96
TOTAL		52,879.05	44,184.84
EXPENDITURE			
Raw materials consumed		37,823.18	29,486.29
Decrease in Stock of Finished goods and Process Stock	13	97.86	1,149.44
Trading goods purchased		-	30.18
Manufacturing expenses	14	1,518.20	1,191.37
Payments to and provision for employees	15	1,326.45	899.41
Selling, Distribution, Administrative and Other expenses	16	3,371.50	3,567.04
Interest & Finance charges	17	510.07	747.90
Depreciation & Amortisation		475.89	280.37
TOTAL		45,123.15	37,352.00
Profit Before Tax		7,755.90	6,832.84
Provision for Taxation	18	2,637.08	2,265.00
Short Provision of Tax of earlier years		(15.52)	(11.84)
Net Profit Before Minority Interest		5,134.34	4,579.68
Less: - Minority Interest		44.22	61.58
Add: - Share in Profit of Associate		73.93	5.49
Net Profit After Minority Interest		5,164.05	4,523.59
Balance of Profit & Loss Account brought forward from previous year		8,781.42	5,372.20
AVAILABLE FOR APPROPRIATION		13,945.47	9,895.79
Appropriations			
Proposed Dividend		646.18	516.94
Tax on Dividend		110.62	90.54
Transferred to General Reserve		520.75	506.89
Balance carried to Balance Sheet		12,667.92	8,781.42
TOTAL		13,945.47	9,895.79
Basic & Diluted Earning Per Share (Rs.) (See note no. 14 of Schedule 20)		39.96	35.00
Significant Accounting Policies	19		
Notes on Accounts	20		
Schedule 1 to 20 form part of this Balance Sheet			

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered Accountants

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Joint Managing Director

H.P.Shah
Partner

Tushar Shah
Company Secretary

Place : Ahmedabad
Dated : 27th April, 2010

Place : Ahmedabad
Dated : 27th April, 2010



Consolidated Cash Flow Statement

For the Year Ended on 31st March, 2010

(Rupees in Lacs)

Particulars	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
(A) Cash Flow from operating activities		
Profit Before Tax	7,755.90	6,832.84
Adjustments for:		
Loss on sale of fixed assets	0.72	6.04
Unrealised foreign exchange losses/(gain)	(22.07)	(141.55)
Provision for doubtful debts reversed	-	(10.00)
Provision for diminution in value of investment	-	3.33
Provision for diminution in value of investment no longer required	(3.33)	-
Provision for doubtful debtors	-	108.95
Dividend income	(117.19)	(401.02)
Interest income	(302.23)	(232.13)
Depreciation & Amortisation	475.89	280.37
Loss on sale of investments (Net)	0.32	1.40
Interest & Finance charges	510.07	749.06
Miscellaneous expenditure written off	0.83	0.84
Operating profit before working capital changes	8,298.91	7,198.13
Adjustment for :		
Trade & Other receivables	356.39	(3,395.13)
Inventories	292.06	700.68
Trade & Other payables	19.36	475.78
	667.80	(2,218.67)
Cash generated from operations	8,966.72	4,979.46
Direct taxes paid	(2,560.42)	(2,083.01)
Net cash from operating activities-(A)	6,406.30	2,896.45
(B) Cash Flow From Investing Activities		
Purchase of fixed assets	(2,576.07)	(4,631.02)
Sale of fixed assets	0.43	9.50
Investments in mutual funds (Net)	7,617.41	(21.20)
Long term investment in associate	(12.50)	(29.00)
Long term investment in other companies	-	(5.32)
Sale of investment in other companies	5.32	-
Dividend received	113.89	395.54
Interest received	302.23	232.13
Net cash used in investing activities-(B)	5,450.71	(4,049.37)
(C) Cash Flow from financing activities		
Proceeds from borrowings (Net)	1,134.49	2,247.05
Unclaimed share application money lying in escrow account	-	(134.54)
Interest & finance charges paid	(510.05)	(749.06)
Dividend & Tax on dividend paid	(647.89)	(305.59)
Net cash from financing activities-(C)	(23.45)	1,057.86
Net changes in cash & cash equivalents (A+B+C)	11,833.56	(95.06)
Add : Cash & Cash equivalents-opening balance	1,541.55	1,636.61
Cash & Cash equivalents-closing balance	13,375.11	1,541.55
Note:		
1 Cash and cash equivalents includes:	As at 31st Mar 2010	As at 31st Mar 2009
Cash & Cheques on hand	6.36	5.48
With scheduled banks:		
In current accounts	1,079.70	6.00
In fixed deposits	12,282.56	1,526.03
Unclaimed share application money lying in escrow account	3.56	3.56
Unclaimed dividend money lying in escrow account	2.93	0.48
Total	13,375.11	1,541.55
2 Cash and cash equivalents include following amounts not available for immediate use :		
In fixed deposits	1,214.36	1,492.21
Unclaimed share application money lying in escrow account	3.56	3.56
Unclaimed dividend money lying in escrow account	2.93	0.48
3 Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised.	25.90	14.25
4 The cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on cash flow statements issued by the Institute of Chartered Accountants of India.		
5 The previous year's figures have been regrouped wherever necessary.		

As per our attached report of even date.

For and on behalf of Board of Directors

For C. C. Chokshi & Co.
Chartered AccountantsJitendra U. Mamtara
Chairman & Managing DirectorSatyen J. Mamtara
Joint Managing DirectorH.P.Shah
PartnerTushar Shah
Company SecretaryPlace : Ahmedabad
Dated : 27th April, 2010Place : Ahmedabad
Dated : 27th April, 2010



Schedules Forming part of the Consolidated Balance Sheet

(Rupees in Lacs)

	As At 31 st Mar 2010	As At 31 st Mar 2009
Schedule 1 : Share Capital		
Authorised		
15,000,000 Equity Shares of Rs. 10/- each	1,500.00	1,500.00
	<u>1,500.00</u>	<u>1,500.00</u>
Issued, Subscribed and Paid Up		
12,923,611 Equity Shares of Rs. 10/- each fully paid up	1,292.36	1,292.36
TOTAL	<u>1,292.36</u>	<u>1,292.36</u>

Notes:

Of the above shares: -

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

Schedule 2 : Reserves & Surplus

Securities Premium Account	13,508.13	13,508.13
Capital Reserve on Consolidation	46.29	46.29
General Reserve		
As per last Balance Sheet	1,213.37	706.48
Add : Amount transferred from Profit and Loss Account	<u>520.75</u>	<u>506.89</u>
	1,734.12	1,213.37
Surplus in Profit & Loss Account	12,667.92	8,781.42
TOTAL	<u>27,956.46</u>	<u>23,549.21</u>

Schedule 3 : Secured Loans

From Banks

Cash Credit Accounts (Note: 1)	6,785.19	4,768.85
Packing Credit in Foreign Currency (Note: 1)	207.02	887.60
Term Loan - I (Note : 2)	223.44	352.37
Hire Purchase Loans	-	26.80
Interest accrued and due	-	53.13

TOTAL	<u>7,215.65</u>	<u>6,088.75</u>
--------------	-----------------	-----------------

Notes:

- 1) Secured by hypothecation of current assets of the Company on paripassu basis and collaterally secured by residual value of net fixed assets of the company excluding fixed assets of Moraiya plant and also collaterally legal mortgage on paripassu basis on immovable properties situated at Changodar, Dhank and Ahmedabad and in addition to above secured by pledge of 21,10,000 equity shares of promoters and personal guarantees of some of the directors.
- 2) Secured by hypothecation of specific fixed assets acquired under the term loan and also collaterally secured by legal mortgage on paripassu basis on immovable property situated at Changodar and in addition to above secured by personal guarantee of some directors.
- 3) Payable within 12 months out of the above loans is Rs. 78.00 Lacs (Previous year Rs.103.95 Lacs).

Schedules forming part of the Consolidated Balance Sheet

Schedule 4 : Fixed Assets

(Rupees in Lacs)

Assets	Gross Block (At Cost)				Depreciation & Amortisation				Net Block	
	As At 1 st Apr 09	Additions	Deductions/ Adjustment	As At 31 st Mar 10	As At 1 st Apr 09	Additions	Deductions/ Adjustment	As At 31 st Mar 10	As At 31 st Mar 10	As At 31 st Mar 09
Goodwill	119.07	-	-	119.07	71.43	23.81	-	95.24	23.83	47.64
Land	174.11	14.29	-	188.40	-	-	-	-	188.40	174.11
Building	1,637.62	2,409.84	-	4,047.46	162.74	89.10	-	251.84	3,795.62	1,474.88
Plant & Machinery	2,547.40	2,134.32	-	4,681.72	545.26	245.40	-	790.66	3,891.06	2,002.14
Electrifications	312.27	198.13	-	510.40	56.04	25.44	-	81.48	428.92	256.23
Furniture, Fixtures & Office Equipments	287.75	122.57	0.67	409.65	62.96	27.96	0.37	90.55	319.10	224.79
Computer & Accessories	135.89	25.73	2.45	159.17	82.55	17.10	1.60	98.05	61.12	53.34
Computer Software	63.52	127.99	-	191.51	36.94	13.52	-	50.46	141.05	26.58
Vehicles	327.32	72.98	-	400.30	79.79	33.56	-	113.35	286.95	247.53
TOTAL	5,604.95	5,105.85	3.12	10,707.68	1,097.71	475.89	1.97	1,571.63	9,136.05	4,507.24
Capital Work in Progress									1,604.87	4,134.63
Previous Year	3,215.41	2,414.22	24.68	5,604.95	826.00	280.37	8.66	1,097.71	4,507.24	2,389.41

Notes:

1. Fixed assets include Rs. Nil (Previous year Rs. 77.59 Lacs) being cost of asset purchased on hire purchase basis on which the vendors have a lien.
2. Additions to fixed assets includes interest of Rs. 25.91 Lacs (Previous year Rs. 14.25 Lacs) capitalised.
3. Capital work in progress includes Rs. 148.45 Lacs (Previous year Rs. 475.72 Lacs) on account of advance against Capital Expenditure.





Schedules Forming part of the Consolidated Balance Sheet

(Rupees in Lacs)

	As At 31 st Mar 2010	As At 31 st Mar 2009
Schedule 5 : Investments		
(A) Long Term Investments (Unquoted)		
Trade Investments		
<i>Investment in Associate Company</i>		
Face value of Rs. 10/- each, fully paid up :		
6,350 (5,100) Equity shares of Savas Engineering Company Pvt. Ltd.	51.33	39.89
Less :- Capital Reserve	(9.83)	(10.89)
Add: - Share in profit of Associate	79.42	5.49
Net value of Investment	120.92	34.49
Non - Trade Investments		
<i>Investment in Other Companies</i>		
Face value of Rs. 10/- each, fully paid up :		
Nil (1,900) Equity shares of Benchmark HR Solutions (India) Pvt. Ltd.	-	5.32
Face value of Rs. 100/- each, fully paid up :		
1,250 (1,250) Equity shares of The Bhagyodaya Co-operative Bank Ltd.	1.25	1.25
TOTAL (A)	122.17	41.06
(B) Current Investments (Quoted)		
Non - Trade Investments		
<i>Units of Mutual funds</i>		
Face value of Rs. 10/- each, fully paid up :		
100,000 Units of SBI Bluechip Fund	10.00	10.00
13,815,337 Units of SBI SHF Ultra	-	1,382.22
5,109,227 Units of LIC Income Plus fund	-	510.92
5,769,813 Units of ICICI Flexible Income Plan	-	610.07
4,905,242 Units of HDFC Liquid Fund	-	601.37
7,975,451 Units of SBI PLF	-	800.14
9,813,631 Units of Reliance Liquid Treasury Fund	-	1,500.23
Face value of Rs. 1000/- each, fully paid up :		
121,122 Units of Reliance MMF	-	1,212.60
897,401 Units of Tata Liquid SHIF	-	1,000.17
Provision for diminution in value of Investment		(3.33)
TOTAL (B)	10.00	7,624.39
TOTAL (A + B)	132.17	7,665.45
Unquoted Investments		
In Equity Shares	Cost price	6.57
Mutual Funds	Cost price	7,627.72
	Repurchase value	7,624



Schedules Forming part of the Consolidated Balance Sheet

Note: Investments purchased and sold during the year

Mutual Funds	Units	Cost Price
Reliance Liquid Plus Inst Plan	541,215.62	5,418.31
LIC Liquid Plus Fund	4,008,490.28	409.11
LIC Liquid Fund Growth Plan	7,653,508.81	915.36
LIC Liquid Fund Daily Dividend Fund	546,497.41	60.01
ICICI Prudential Flexible Income Plan	18,988,667.75	2,007.77
ICICI Prudential Short Term Fund	845,281.56	100.63
Tempelton India Short Term Fund	19,206.83	206.28
Fortis Money Plus Regular Fund	5,031,048.65	503.40
SBI SHF Liquid Plus Inst Plan	26,677.54	2.67
DSP Blackrock Liquidity Fund	49,995.64	500.06
Tata Floater Fund	9,985,385.87	1,002.09
DSP Blackrock Money Manager Fund	50,086.02	501.26
UTI Cash Plus Fund	58,862.07	600.07
UTI Treasury Advantage Fund	60,059.85	600.73
ICICI Prudential Super Inst Plan	9,998,893.36	1,000.11
HDFC Floating Rate Scheme STP	16,897,156.74	1,703.39
SBI Premier Liquid Fund	3,738.63	0.38
LIC Liquid Fund	3,964,554.09	396.46
HDFC Liquid Fund	12,239,862.82	1,500.58
Reliance Treasury Inst	23,560,417.09	1,550.61
Tata Liquid Premium Fund	170,565.92	1,900.90
Fortis Overnight Fund	15,996,781.21	1,600.10
HDFC Liquid Premium Plan	6,525,990.72	800.07
Fortis Money Plus Inst Plan	8,038,983.06	804.15
LIC Savings Plus Fund	2,975,552.89	297.56

(Rupees in Lacs)

	As At 31st Mar 2010	As At 31st Mar 2009
--	---	---

Schedule 6 : Inventories

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

Stock- in -Trade

Raw Materials		
[Including goods in transit Rs. 176.19 Lacs (Previous year Rs. 121.04 Lacs)]	2,277.37	2,471.57
Finished Goods	998.50	825.49
Process Stock	2,244.86	2,515.73
TOTAL	5,520.73	5,812.79



Schedules Forming part of the Consolidated Balance Sheet

(Rupees in Lacs)

	As At 31 st Mar 2010	As At 31 st Mar 2009
Schedule 7 : Sundry Debtors		
(Unsecured)		
Exceeding Six months		
Considered good	1,995.89	2,795.92
Considered doubtful	156.71	156.71
Other Debts		
Considered good	12,863.06	12,827.48
	15,015.66	15,780.11
Less: Provision for doubtful debts	156.71	156.71
TOTAL	14,858.95	15,623.40

Schedule 8 : Cash & Bank Balances

Cash on hand	6.36	5.48
<u>Balances with Scheduled Banks:</u>		
- In Current accounts	1,079.70	6.00
- In Fixed Deposit accounts		
[Rs. 1262.21 Lacs (Previous year Rs. 1526.03 Lacs)		
Lodged with banks as securities for guarantees given by the bankers]	12,282.56	1,526.03
- Unclaimed share application money lying in escrow account	3.56	3.56
- Unclaimed dividend amount lying in escrow account	2.93	0.48
TOTAL	13,375.11	1,541.55

Schedule 9 : Loans & Advances

(Unsecured)

Considered Good		
Advances recoverable in cash or in kind or for value to be received	44.70	139.12
Advances to Suppliers	216.04	84.93
Other Advances	78.58	132.40
Deposits and Balances with Government and Other authorities	980.09	548.40
Other Deposits	195.10	181.20
Interest receivable	4.45	28.13
TOTAL	1,518.96	1,114.18



Schedules Forming part of the Consolidated Balance Sheet

(Rupees in Lacs)

	As At 31 st Mar 2010	As At 31 st Mar 2009
Schedule 10: Current Liabilities & Provisions		
Current Liabilities		
Sundry Creditors :		
a) Micro & Small Enterprises (Refer Note no. 8 of Schedule 20)	113.19	-
b) Others	5,593.63	5,622.07
	5,706.82	5,622.07
Advance from customers	1,313.58	1,799.89
Other Liabilities	912.04	620.54
Investor Education and Protection fund		
Unclaimed share application money	3.56	3.56
Unclaimed dividend	2.93	0.48
Interest accrued but not due on Loans	-	3.19
TOTAL (A)	7,938.93	8,049.73
Note :		
There is no amount due and outstanding as at balance sheet date to be credited to Investor Education and Protection Fund.		
Provisions		
Proposed dividend	667.65	516.94
Tax on Proposed dividend	89.16	90.54
Provision for gratuity	-	34.36
Provision for leave encashment	49.31	21.28
Provision for taxation (Net of advance tax paid)	90.18	379.93
TOTAL (B)	896.30	1,043.05
TOTAL (A + B)	8,835.23	9,092.78

Schedule 11 : Miscellaneous Expenses

(To the extent not written off or adjusted)

Exhibition Expenses	-	0.01
Less : written off	-	0.01
	-	-
Share Issue Expense	0.83	1.67
Less : written off	0.83	0.84
	-	0.83
TOTAL	-	0.83



Schedules Forming part of the Consolidated Profit and Loss Account

(Rupees in Lacs)

	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
Schedule 12 : Other Income		
Interest received on fixed deposits with Banks [Tax deducted at source:- 31.51 Lacs (Previous year Rs. 41.13 Lacs)]	301.81	232.14
Interest received from others [Tax deducted at source:- Rs. 0.11 Lacs (Previous year Rs 1.49 Lacs)]	8.41	12.26
Dividend Income		
On Non trade investments - Investments in mutual funds	87.43	401.02
Insurance claim received	32.14	52.25
Cash discount received	110.89	54.15
Provision for diminution in value of investment no longer required	3.33	-
Misc Amount written back	-	-
Excess Provision no longer required written back	-	10.00
Bad debts recovered	6.00	10.37
Foreign exchange gain (Net)	47.57	-
Sale of scrap	293.62	322.81
Miscellaneous income	16.55	39.96
TOTAL	907.75	1,134.96

Schedule 13 : Decrease in Stock of Finished Goods and Process stock

Closing Stock		
Finished Goods	998.50	825.49
Process Stock	2,244.86	2,515.73
	3,243.36	3,341.22
Less : Opening Stock		
Finished Goods	825.49	791.99
Process Stock	2,515.73	3,698.67
	3,341.22	4,490.66
TOTAL	97.86	1,149.44

Schedule 14 : Manufacturing Expenses

Power & Fuel	317.18	204.18
Job work charges & other manufacturing expenses	117.89	108.68
Repairs		
Plant and Machinery	154.18	114.14
Factory Building	34.62	22.77
Tools purchase	106.45	51.52
Workers wages	395.29	307.57
Testing charges & other manufacturing expenses	360.68	373.42
Cenvat duty provided on stocks	31.91	9.09
TOTAL	1,518.20	1,191.37



Schedules Forming part of the Consolidated Profit and Loss Account

(Rupees in Lacs)

	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
Schedule 15 : Payments to and Provisions for Employees		
Salaries, Bonus, Gratuity etc.	1,210.11	840.56
Contribution to Provident and Other Funds	56.19	41.41
Employee welfare expenses	60.15	17.44
TOTAL	1,326.45	899.41

Schedule 16 : Selling, Distribution, Administrative and Other Expenses

Selling expenses	484.48	326.01
After sales expenses	673.88	-
Discount, rebates & allowances	29.29	91.40
Advertisement expenses	79.11	66.36
Stationary, Printing, Postage and Telephone expenses	92.83	98.94
Insurance	66.08	41.14
Rent	14.12	11.30
Repairs		
Office Building	0.21	2.50
Others	10.18	6.60
Rates and Taxes	5.87	2.14
Travelling expenses & Conveyance	303.55	278.96
Directors sitting fees	2.75	2.53
Bank charges	371.94	328.63
Legal & Professional charges	86.15	82.02
Audit fees	11.75	9.50
Sales commission	154.86	238.23
Late delivery charges	739.64	1,662.61
General charges	122.41	143.67
Premium on forward contracts amortised	9.64	9.95
Provision for doubtful debts	-	108.95
Bad debts written off	21.47	6.55
Foreign exchange loss (Net)	-	18.80
Cenvat duty expense	89.42	8.80
Central sales tax expenses	-	9.84
Loss on sale of fixed assets	0.72	6.04
Diminution in value of current investment	-	3.33
Loss on sale of investments	0.32	1.40
Miscellaneous expenses written off :		
Share Issue Expenses	0.83	0.84
TOTAL	3,371.50	3,567.04



Schedules Forming part of the Consolidated Profit and Loss Account

(Rupees in Lacs)

	For the Year Ended on 31 st Mar 2010	For the Year Ended on 31 st Mar 2009
Schedule 17 : Interest & Finance Charges		
Interest on Fixed Loans from		
Banks	370.55	580.93
Directors	-	57.95
	370.55	638.88
Discount on Commercial Paper Amortised	27.95	-
Interest - Others	45.40	51.09
Bill Discounting charges	66.17	57.93
TOTAL	510.07	747.90

Schedule 18 : Provision for Taxation

Current Tax (Including Wealth Tax)	2,211.13	2,164.92
Deferred Tax	425.95	74.08
Fringe Benefit Tax	-	26.00
TOTAL	2,637.08	2,265.00



Schedule 19 : Significant Accounting Policies of Consolidated Accounts

1) Accounting Convention

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

2) Principles of Consolidation

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

3) Use of Estimates

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

4) Fixed Assets

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

5) Depreciation and Amortisation

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

6) Investments

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

7) Inventories

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

**8) Revenue Recognition**

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

9) Sales/Service Income

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

10) Cenvat credit

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

11) Foreign Currency Transactions

- a) Monetary items denominated in foreign currency are translated at the exchange rate prevailing on the last day of the accounting year. Foreign currency transactions are accounted at the rate prevailing on the date of transaction.
- b) Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.
- c) Gain or loss arising out of translation/conversion is taken credit for or charged to the Profit and Loss Account.

12) Prior Period Expenses/Income

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

13) Employees Benefits**a) Defined Contribution Plan**

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

b) Defined Benefit Plan

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

14) Borrowing Cost

Interest and other costs in connection with the borrowings of the funds to the extents related/attribution to the acquisition /construction of qualifying fixed assets are capitalised upto the date when such assets are ready for their intended use and other borrowing costs are charged to profit and loss account.

15) Miscellaneous Expenditure

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

16) Taxes on Income

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with provision of Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or subsequently enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

17) Leases

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

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



18) **Earnings Per Share**

The Parent Company and its Subsidiaries reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.

19) **Provisions, Contingent Liabilities and Contingent Assets**

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



Schedule 20 : Notes Forming Part of Consolidated Accounts

1. Details of Subsidiaries/Associate

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

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

2. Contingent Liabilities in respect of

(Rupees in Lacs)

Particulars	As At 31 st Mar 2010	As At 31 st Mar 2009
a) Disputed demand of Central Excise Department / Income Tax Department	653.68	292.70
b) Guarantee given by bankers on behalf of Company	13,042.85	11,712.96
c) Corporate Guarantees of Rs. 1281.00 Lacs given by Company for loan taken by a Subsidiary Company	443.90	452.87
d) Performance Guarantees given by Company	111.05	72.87
e) Bills discounted with Banks	3,135.90	731.17
f) Import duty benefit towards duty free import of raw materials made in respect of which export obligations are yet to be discharged.	7.94	105.83
g) Claims against Company not acknowledged as debts	Amount not ascertained	Amount not ascertained

3. Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for is Rs. 140.00 Lacs (Previous year Rs. 1,573.51 Lacs).

4. The funds raised through Initial Public Offering have been fully utilized as under:

(Rupees in Lacs)

Particulars	Amount
Funds raised through the Initial Public Offering	13,926.75
Utilisation of Funds till 31 st March, 2010 :	
- Expenditure on development /construction of the project as stated in the object clause of the Prospectus	6,969.00
- Repayment of high cost debts	2,450.00
- Towards working capital requirement	4,041.68
- Share issue expenses	466.07
Total Fund Utilized	13,926.75



5. Capital work in progress includes preoperative expenditure and project expenses pending allocation to a project under implementation are as under:

(Rupees in Lacs)		
Particulars	As at 31st Mar 2010	As at 31st Mar 2019
Opening Balance	19.06	59.12
Add:		
Consultancy/Professional charges	19.59	3.32
Electricity expenses	9.80	23.79
Personnel cost	48.05	9.74
Labour cost	18.56	9.79
Other expenses	64.44	36.05
(A)	<u>179.50</u>	<u>141.81</u>
Less:		
Capitalised during the year	179.50	122.75
(B)	<u>179.50</u>	<u>122.75</u>
Closing Balance (A-B)	-	19.06

Details of Preoperative expenses capitalised during the year

(Rupees in Lacs)		
Fixed Asset	For the year ended on 31 st March 2010	For the year ended on 31 st March 2009
Land	-	7.74
Building	0.16	66.65
Plant & Machinery	172.40	43.74
Electrification	6.94	4.61
Computer & Accessories	-	0.01
Total	<u>179.50</u>	<u>122.75</u>

6. The stock of raw materials amounting to Rs.724.95 Lacs (previous year Rs. 963.46 Lacs) was with the job workers for further processing at the close of the year. Out of that confirmations have been received for Rs.667.57 Lacs (Previous Year Rs. 910.84 Lacs).
7. Cenvat duty shown as a deduction from the Gross Sales and Service Income represents the amount of cenvat duty collected on sales. Cenvat duty expensed represents the difference between excise duty element in the amounts of closing stocks & opening stocks and excise duty paid which is not recoverable from sales.
8. The Company has amounts dues to Micro & Small Enterprises under The Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act) as at 31st March, 2010.

(Rupees in Lacs)		
Particulars	For the year ended on 31 st March 2010	For the year ended on 31 st March 2009
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at 31st March, 2010.		
Principal Amount	113.19	-
Interest	3.26	-
ii) The amount of the interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending 31st March, 2010.		
Principal Amount	-	-
Interest	-	-
iii) The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year).	3.26	-
iv) The amount of interest accrued and remaining unpaid for the year ending 31st March, 2010.	3.26	-
v) The amount of further interest remaining due and payable for the earlier years.	-	-

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

**9. Disclosures regarding Derivative Instruments**

(A) The Company uses forward exchange contracts to hedge its exposure in foreign currency. There are no contracts entered into for the purpose of speculation

(B) The information on derivative instruments as on 31st March, 2010 is as follows:

Exposure hedged by Derivative instruments

(Amount in Lacs)

Particulars	No of Contracts		Foreign Currency Amount		Reporting Currency Amount (INR)	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Forward cover for Import Payable -Euro	1	-	4.05	-	266.17	-

Unhedged Exposures

(Amount in Lacs)

Particulars	Foreign Currency Amount		Reporting Currency Amount (INR)	
	2009-10	2008-09	2009-10	2008-09
Loan Outstanding				
USD	4.59	-	207.02	-
Accounts Receivable				
USD	12.00	19.25	541.86	976.36
EURO	-	3.61	-	243.63
Account Payable				
USD	10.30	20.71	464.93	1,050.63
EURO	4.05	-	266.17	-

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



10. Employee Benefits

A) Defined Benefit Plans :

(Rupees in Lacs)

Particulars	Gratuity		Leave Encashment	
	2009-10	2008-09	2009-10	2008-09
i Expenses recognized in Profit & Loss Account				
Current service cost	19.03	17.54	41.25	6.57
Interest Cost	5.32	3.28	1.48	1.18
Expected return on plan assets	(5.07)	(2.41)	-	-
Net actuarial losses (gains)	(8.07)	3.16	(14.70)	(2.91)
Total Expenses	11.21	21.57	28.03	4.84
ii Reconciliation of Opening and Closing balances of changes in present value of the defined benefit obligation				
Opening defined benefit obligation	64.58	44.05	21.27	17.34
Service cost	19.03	17.54	41.25	6.57
Interest cost	5.32	3.28	1.48	1.18
Actuarial losses (gains)	(5.31)	0.75	(14.70)	(2.91)
Losses (gains) on curtailments	-	-	-	-
Liabilities extinguished on settlements	-	-	-	-
Benefits paid	(6.24)	(1.04)	-	(0.91)
Closing defined benefit obligation	77.38	64.58	49.30	21.27
iii Reconciliation of Opening and Closing balances of changes in fair value of plan assets				
Opening fair value of plan assets as at April 1, 2008	30.21	28.54	-	-
Expected return on plan assets	5.07	2.41	-	-
Actuarial gains and (losses)	2.75	(2.41)	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	65.09	1.96	-	-
Benefits paid	(6.24)	(0.29)	-	-
Closing balance of fair value of plan assets	96.88	30.21	-	-
iv Net Liability recognized in the Balance Sheet				
Defined benefit obligation	77.38	64.58	49.30	21.27
Fair value of plan assets	96.88	30.21	-	-
Present value of unfunded obligation recognized as liability	(19.50)	34.37	49.30	21.27
v Actual Return on plan Assets	-	-	-	-
vi Major categories of plan Assets as a percentage of total plan assets are as follows:				
Policy of insurance	100%	100%	-	-
vii Actuarial Assumptions	As at 31st Mar 2010			
Discount Rate	8.25%			
Expected rate of return on plan assets	8.5% Based on LIC Structure of interest rates on gratuity funds			
Expected rate of salary increase	6%			
Mortality	LIC (1994-96) published table of 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.**

During the year, Rs. 56.19 Lacs (Previous year Rs. 41.41 Lacs) recognised as an expense and included in the Schedule 15 of Profit and Loss Account under the head "Contribution to Provident and other funds".

11. Segment Reporting**(A) Primary Segment**

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

(B) Secondary Segment (Geographical Segment)

(Rupees in Lacs)

Particulars	India		Outside India		Total	
	For the year ended on 31 st Mar 2010	For the year ended on 31 st Mar 2009	For the year ended on 31 st Mar 2010	For the year ended on 31 st Mar 2009	For the year ended on 31 st Mar 2010	For the year ended on 31 st Mar 2009
Revenue	45,353.29	41,251.43	6,618.01	1,798.45	51,971.30	43,049.88
Carrying Amounts of Segment Assets	45,604.98	39,180.08	541.86	1,219.99	46,146.84	40,400.07
Capital Expenditure	2,572.97	4,606.85	-	-	2,572.97	4,606.85

12. Related Party Transactions**(A) Names of related parties and description of relationship**

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

(B) Details of transactions with related parties

(Rupees in Lacs)

	Particulars	2009-10	2008-09
(A)	Volume of Transactions		
1)	Service Received		
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Allied Electrical Industries	-	27.24
	Benchmark HR Solutions (India) Pvt. Ltd.	3.55	3.88
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	77.21	-
2)	Purchase of Goods		
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Transpower	-	3.36



	Particulars	2009-10	2008-09
3)	Sale of Goods Enterprises over which Key Managerial Personnel is able to exercise Significant Influence Allied Electrical Industries	-	3.36
	Associate Company Savas Engineering Company Pvt. Ltd.	7.04	5.58
4)	Capital Goods Purchased Associate Company Savas Engineering Company Pvt. Ltd.	3.77	306.35
5)	Investment in Associate Company Associate Company Savas Engineering Company Pvt. Ltd.	12.50	29.00
6)	Investment in Enterprise Enterprises over which Key Managerial Personnel is able to exercise Significant Influence Benchmark HR Solutions (India) Pvt. Ltd.	-	7.00
7)	Payment for Acquisition of Shares Relative of Key Managerial Personnel Mrs. Akanksha Mamtara (Savas Engineering Company Pvt. Ltd.)	-	29.00
8)	Sale of Equity Shares Relatives of Key Managerial Personnel Mrs. Akanksha Mamtara (Sale of 1,900 (600) Equity Shares of Benchmark HR Solutions (India) Pvt. Ltd.)	5.32	1.68
9)	Rent Paid Key Managerial Personnel Mrs. Karuna J. Mamtara	2.20	-
10)	Business Purchase Enterprises over which Key Managerial Personnel is able to exercise Significant Influence Allied Electrical Industries (Proprietor firm of Mrs. Karuna J. Mamtara)	15.47	-
11)	Bonus Shares issued Key Managerial Personnel Mr. Hitendra M. Doshi (During the year ended 31st March 2010, 4,21,392 Nos Equity Shares fully paid up were allotted as Bonus Shares)	-	-
12)	Loan taken/repaid and Interest thereon Key Managerial Personnel Mr. Jitendra U. Mamtara Loan taken Loan repaid Interest Balance at 31 st March Balance at 1 st April Mr. Satyen J. Mamtara Loan taken Loan repaid Interest Balance at 31 st March Balance at 1 st April	- - - - - - - - - - - - -	226.20 298.95 18.77 - 53.98 1.95 2.40 0.18 - 0.27



	Particulars	2009-10	2008-09
	Mrs. Karuna J. Mamtora		
	Loan taken	-	7.16
	Loan repaid	-	35.72
	Interest	-	3.21
	Balance at 31 st March	-	-
	Balance at 1 st April	-	25.35
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Mr. Jitendra U. Mamtora (HUF)		
	Loan taken	-	56.94
	Loan repaid	-	57.84
	Interest	-	0.76
	Balance at 31 st March	-	-
	Balance at 1 st April	-	0.14
13)	Managerial Remuneration		
	Key Managerial Personnel		
	Mr. Jitendra U. Mamtora	165.23	160.31
	Mr. Satyen J. Mamtora	82.07	57.09
	Mrs. Karuna J. Mamtora	14.68	7.29
	Mr. Bhaskar Sen	-	14.80
	Mr. Hitendra M. Doshi	16.95	12.25
14)	Dividend Paid		
	Key Managerial Personnel		
	Mr. Jitendra U. Mamtora	354.36	177.18
	Mr. Satyen J. Mamtora	3.88	1.94
	Mrs. Karuna J. Mamtora	10.71	5.35
	Mr. Hitendra M. Doshi	15.80	10.53
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Mr. Jitendra U. Mamtora (HUF)	27.32	13.66
	Relatives of Key Managerial Personnel		
	Ms. Janki J. Mamtora	0.85	0.43
	Mr. Bipin Mamtora	0.00	0.00
	Mr. Dilip Mamtora	0.00	0.00
(B)	Balance at the end of the period		
	Due to		
	Enterprises over which Key Managerial Personnel is able to exercise Significant Influence		
	Benchmark HR Solutions (India) Pvt. Ltd.	0.66	-
	Due From		
	Associate Company		
	Savas Engineering Company Pvt. Ltd.	126.52	29.28
	[Maximum outstanding during the year Rs. 126.78 Lacs (Previous year Rs.159.52 Lacs)]		

**13. Leases**Operating Lease

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

(Rupees in Lacs)

Particulars	For the year ended on 31st March 2010	For the year ended on 31st March 2009
Office Premises	5.37	5.06
Godown	2.34	2.34

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

14. Earning Per Share

Particulars		For the year ended on 31st March 2010	For the year ended on 31st March 2009
Net Profit for the period (Rupees in Lacs)	(A)	5,164.05	4,523.59
Weighted Average number of equity shares	(B)	12,923,611	12,923,611
EPS (Basic & Diluted)	(A) / (B)	39.96	35.00
Nominal value of Equity Shares		10.00	10.00

15. Components of Deferred Tax Liability are as under:

(Rupees in Lacs)

Particulars		As at 31st Mar 2010	As at 31st Mar 2009
(A) Deferred Tax Liability:			
Difference between book and tax depreciation		711.71	326.12
	(A)	<u>711.71</u>	<u>326.12</u>
(B) Deferred Tax Assets:			
Disallowance under Income Tax Act 1961		63.50	72.17
Tax benefit on share issue expenses set off against share premium.		126.73	158.42
	(B)	<u>190.23</u>	<u>230.59</u>
Net Deferred Tax Liability	(A) – (B)	<u>521.48</u>	<u>95.53</u>

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

As Per our attached report of even date.

For C.C.Chokshi & Co.
Chartered Accountants

For and on behalf of board

H. P. Shah
Partner

Jitendra U. Mamtora
Chairman & Managing Director

Satyen J. Mamtora
Joint Managing Director

Tushar Shah
Company Secretary

Date : 27th April, 2010
Place : Ahmedabad

Date : 27th April, 2010
Place : Ahmedabad

ATTENDANCE SLIP & PROXY FORM



Regd. Office: Survey No. 344-350, Sarkhej Bavla Highway,
Village : Changodar, Taluka Sanand, Dist : Ahmedabad- 382213, Gujarat

PROXY FORM

Regd. Folio No./ DP Client ID

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

No. of Shares held

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

I / Weofin
the district of being a Member/Members of the Company, hereby appoint
..... of
in the district of or failing him / her
of In the district of as my / our proxy to vote for
me / us on my / our behalf at the **16th ANNUAL GENERAL MEETING** of the Company to be held at the Registered Office
at Survey No. 344-350 Sarkhej Bavla Highway, Changodar, Ahmedabad 382213, at 11.00 a.m. on Wednesday, 28th day
of July, 2010 or at any adjournment(s) thereof.

Signed this Day of 2010.

Affix Re. 1/-
Revenue
Stamp

Signature of Member _____

Notes :

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

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



Regd. Office: Survey No. 344-350, Sarkhej Bavla Highway,
Village : Changodar, Taluka Sanand, Dist : Ahmedabad- 382213, Gujarat

ATTENDANCE SLIP

Regd. Folio No./ DP Client ID

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

No. of Shares held

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

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

I hereby record my presence at the **16th ANNUAL GENERAL MEETING** of the Company at the Registered Office at
Survey No. 344-350 Sarkhej Bavla Highway, Village : Changodar, Taluka Sanand, Ahmedabad 382213, at 11.00 a.m. on
Wednesday, 28th day of July, 2010.

Name of the Member / Proxy
(in BLOCK letters)

Signature of Member / Proxy

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

[illegible]



NECS MANDATE FORM

PLEASE FILL UP THIS FORM AND ARRANGE TO SEND IT TO:

The following address if shares are held in physical form

OR

To your DP if shares are held in demat form

To,
Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S.Marg, Bhandup (West)
Mumbai-400078, India

1. Name of 1st Registered holder :
(in Block Letters)
2. Folio No./DPID & Client ID No. :
3. Name of the Bank :
4. Name of the Branch :
5. Account Number :
(As appearing on your Cheque Book)
6. Account Type (Saving Bank A/c. Current :
A/c. or Cash Credit)
with code

S.B.	Current	Cash Credit
7. 9-Digit MICR Code Number of the Bank :
& Branch appearing on the MICR
Cheque issued by the Bank.

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

(Please attach a photocopy of a cheque or cancelled cheque for verifying the accuracy of the MICR code Number)

8. *11-Digit IFSC Code :

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

(Optional-Can be obtained from your banker)

Signature of the First Registered Shareholder
(As per the specimen signature with the Company/DP)

Name : _____

Address : _____

Phone No. : _____

Date :

Email Id : _____

* The Company, its Registrars and Bankers will make best endeavors to remit dividend through NECS. However, for non CBS branches of the banks, the IFSC code will be utilized to remit the dividend either by National Electronic Fund Transfer (NEFT) or Real Time Gross Settlement (RTGS). The branch where you operate your bank account will assist you to provide the IFSC, a 11-digit code to enable the remittance through NEFT or RTGS.



Registered Office

Survey No 344-350 Sarkhej Bavla Highway,
Village : Changodar, Taluka : Sanand, Ahmedabad 382213, Gujarat, India.
Tel.: 02717- 661661 Fax: 02717 - 661716
E-mail: info@transformerindia.com • ipo@transformerindia.com

www.transformerindia.com