



Annual Report 2012-2013

AN ISO 9001-2000 COMPANY

BOARD OF DIRECTORS:

Sri. Mustafa Kamal Basha	Chairman & Managing Director
Sri. S.M.M.Azeez	Whole-time Director
Smt. Farah Kamal	Director
Sri. Akmal Hasan Razvi	Director
Dr. Mohammed Taha Matheen	Director

Auditors

K.S. Aiyar & Co.,
Chartered Accountants, Bangalore

Bankers

State Bank of India
ICICI Bank Limited

Registered Office & Factory

36(A), KIADB Industrial Area
Hoskote
Bangalore – 562 114

**Stock Exchanges (where the shares of the
Company are listed)**

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

NOTICE

Notice is hereby given that the Twenty Eightieth Annual General Meeting of the members of the Toyama Electric Limited will be held on Wednesday, 18th September, 2013 at 11.00 A.M. at the Registered Office of the company at No.36(A), KIADB, Industrial Area, Hoskote, Bangalore-562114 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2013, the Profit and loss Account for the year ended on that date together with the Reports of Directors thereon and Auditors thereto.
- 2) To declare dividend for the year ended 31st March, 2013.
- 3) To appoint a Director in place of Dr. Mohd. Taha Matheen, who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint a Director in place of Sri Akmal Hasan Razvi, who retires by rotation and being eligible offers himself for re-appointment.
- 5) To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

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

“ **RESOLVED THAT** pursuant to the provisions to Sections 198, 269, 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, the Company hereby approves the appointment of Sri. Mustafa Kamal Basha as Chairman and Managing Director of the Company for a period of five years with effect from 18th September, 2013 at a remuneration and on such terms and conditions already approved by the Remuneration Committee as detailed below:

REMUNERATION

- I. Salary and Other Allowances: Rs.1,25,000 per month.
- II. Perquisites

Leave Travel Concession: Return passage for self and family in accordance with the Rules specified by the Company.

III. Perquisites which shall not be included in the computation of the ceiling on remuneration specified in (I) above in addition to Salary:

- A. Contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- B. Gratuity payable at a rate not exceeding half a months salary for each completed year of service and
- C. Encashment of leave at the end of the tenure.

The perquisites and allowances shall be evaluated, wherever applicable as per the Income Tax Act, 1961 or any Rules there under (including any Statutory modification(s) or re-enactment thereof, for the time being in force). However, the Company's Contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act, and Gratuity payable and encashment of leave at the end of the tenure, as per rules of the Company shall not be included in the computation of limits for remuneration which included Salary and Perquisites”

“**RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded to the Board of Directors/Remuneration Committee to vary/increase/modify the remuneration and perquisites payable to Sri. Mustafa Kamal Basha, Chairman and Managing Director of the Company in terms of Sections 198, 309, 310, read with Schedule XIII and applicable provisions of the Companies Act, 1956.”

OVERALL REMUNERATION:

The total remuneration in any financial year shall not exceed the limits prescribed from time to time under Section 198, 309 and applicable provisions of the Companies Act, 1956 read with Schedule XIII of the said Act, as may for the time being be in force and any amendments thereto. In case of any doubt/discrepancy/clarification that may arise with respect to payment of remuneration, the same shall be determined and decided by the Remuneration Committee of Directors. Further, within the overall remuneration, the individual components may be changed as desired by Sri. Mustafa Kamal Basha and accepted by the Remuneration Committee.

MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payments of Salary, Commission, Perquisites and other allowances shall be governed under Part II (I) (A) Schedule XIII to the Companies Act, 1956, for the time being in force.

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

“RESOLVED THAT pursuant to the provisions to Sections 198, 269, 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, the Company hereby approves the appointment of Sri.S.M.M.Azeez as Technical Director of the Company for a period of five years with effect from 18th September, 2013 at a remuneration and on such terms and conditions already approved by the Remuneration Committee as detailed below:

REMUNERATION

- IV. Salary and Other Allowances: Rs.1,25,000 per month.
- V. Prequisites: Leave Travel Concession: Return passage for self and family in accordance with the Rules specified by the Company.
- VI. Perquisites which shall not be included in the computation of the ceiling on remuneration specified in (I) above in addition to Salary:
 - A. Contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - B. Gratuity payable at a rate not exceeding half a months salary for each completed year of service and
 - C. Encashment of leave at the end of the tenure.

The perquisites and allowances shall be evaluated, wherever applicable as per the Income Tax Act, 1961 or any Rules there under (including any Statutory modification(s) or re-enactment thereof, for the time being in force). However, the Company's Contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act, and Gratuity payable and encashment of leave at the end of the tenure,

as per rules of the Company shall not be included in the computation of limits for remuneration which included Salary and Perquisites”

“RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded to the Board of Directors/Remuneration Committee to vary/increase/modify the remuneration and perquisites payable to Sri.S.M.M.Azeez, Technical Director of the Company in terms of Sections 198, 309, 310, read with Schedule XIII and applicable provisions of the Companies Act, 1956.”

OVERALL REMUNERATION:

The total remuneration in any financial year shall not exceed the limits prescribed from time to time under Section 198, 309 and applicable provisions of the Companies Act, 1956 read with Schedule XIII of the said Act, as may for the time being be in force and any amendments thereto. In case of any doubt/discrepancy/clarification that may arise with respect to payment of remuneration, the same shall be determined and decided by the Remuneration Committee of Directors. Further, within the overall remuneration, the individual components may be changed as desired by Sri.S.M.M.Azeez and accepted by the Remuneration Committee.

MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payments of Salary, Commission, Perquisites and other allowances shall be governed under Part II (I) (A) Schedule XIII to the Companies Act, 1956, for the time being in force.

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

“RESOLVED THAT the sanction of the company be and is hereby accorded in pursuance of Clause 23 of the Listing Agreement entered into by the company with the Bombay Stock Exchange, to re-issue 8600 equity shares which have been forfeited to such persons and at such price as the Board may determine including reissue of such number of shares at such price not less than Rs.13/- to the promoters of the company provided however the issue of shares to the promoters and others under this authority shall be subject to necessary

compliance of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997".

Place: Bangalore For Toyama Electric Limited

Date: 30.05.2013. Mustafa Kamal Basha

Chairman & Managing Director

NOTES:

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member. The proxies in order to be effective should be lodged with the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

2. The Register of Members and Share Transfer Books of the company will remain closed from beginning 18th September 2013 and ending 18th September 2013 (One day only).

3. Dividend when approved will be paid to those members, whose names appear in the Register of Members of the company on 18th September, 2013.

In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership as per the details furnished by the depositories for this purpose at the end of the business hours on 17th September, 2013.

4. Members are requested to bring the Annual Report copy and Attendance slip annexed hereto, to the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item Nos. 6, & 7

The members of the Company at their Twenty Third Annual General Meeting held on 10th September, 2008 had approved the appointment of Sri.Mustafa Kamal Basha as Chairman and Managing Director and Sri.S.M.M.Azeez as Whole-time Director for a period of five years. There respective terms of appointment come to an end at the ensuing AGM. Now it is proposed to appoint Mr. Mustafa Kamal Basha as the Chairman and Managing Director of the company for a period of five years. it is also proposed to appoint Mr.S.M.M.Azeez as Whole-time Director and to utilize his experience in improving and modernizing the technology of the Company. The Board of Directors recommend their appointment on terms and conditions approved by the Remuneration Committee details of

which are enumerated in the draft resolution being placed before the members for their approval.

None of the Directors except Sri.S.M.M.Azeez. Sri.Mustafa Kamal and Smt.Farah Kamal is concerned or interested in the above resolution.

Item No.8

Under Clause 23a of the Listing agreement with BSE Ltd consent of the members is required by way of a special resolution for re-issue of the forfeited shares to any person other than the existing shareholders.

Non-of the directors are interested or concerned in the above resolution.

DIRECTOR'S REPORT TO THE SHAREHOLDERS

To
The Members

Your Directors have pleasure in presenting the 28th Annual Report together with Audited Accounts for the financial year ended 31st March, 2013:

Financial results and Appropriations: (In Lakhs)

PARTICULARS	2012.13	2011.12
Gross Income	906.75	725.17
Profit before Tax	60.94	-13.42
Provision for Tax		
Current	16.30	0.00
Deferred	3.02	-4.40
Fringe Benefit Tax	0.00	0.00
Excess provision of Income	0.53	0.00
Tax relating to previous year	0.00	0.00
Written back	0.00	0.21
Profit after Tax	42.15	-9.01
Surplus brought forward	46.23	55.25
Profit available for Appropriation	88.38	46.23
Transfer to General Reserve	10.00	0.00
Dividend	22.43	0.00
Dividend Tax	3.81	0.00
Surplus carried forward	52.14	46.23

Due to the consistent efforts by the Management the Company could generate profit before tax of Rs.60.94 lakhs during the year under review.

1. Dividend:

Your Directors have pleasure in recommending dividend of 7.5% for the year 2012-2013.

2. Fixed Deposits:

The company has neither invited nor accepted any Fixed Deposits from public during the financial year under review.

3. Directors:

Dr.Mohd.Taha Matheen and Sri.Akmal Hassan Razvi, Directors of the company retire by rotation and being eligible offers themselves for re-appointment.

4. Directors Responsibility Statement:

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your directors hereby report:

- (a) that in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are responsible and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2013 and of Profit and Loss account for the year ended as on that date.
- (c) that 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 safe guarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the directors have prepared annual accounts on a going concern basis.

5. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The requisite information with regard to Conservation of Energy, Technology Absorption and Foreign Exchange Outgo and Earnings in terms of Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 are set out in separate statements attached hereto (Annexures "A" & "B" respectively) and form part hereof.

6. Personnel:

Information in accordance with Sub-Section (2A) of Section 217 of the Companies Act, 1956, read with the companies (Particulars of employees) rules, 1975, and forming part of Director's report for the year ended 31st March, 2013 is not applicable as there was no employee drawing remuneration in excess of prescribed limits.

7. Auditors:

M/s. K.S.Aiyar & Co., Chartered Accountants, retires at the forthcoming Annual General meeting and are eligible for re-appointment. As required under Section 224 of the Companies Act, 1956, the company has obtained from them a confirmation to the effect that their re-appointment, if made, would be in conformity with the limits prescribed in the said section.

8. Corporate Governance and Compliance Certificate:

Separate notes on Corporate Governance and Management Discussion and Analysis Report are set out as Annexure "C" and "D" respectively. A certificate from the Auditors of the company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

9. Listing Agreement Requirements:

- (i) The securities of your company are listed at BSE Limited. The company has paid the Annual Listing fee to these Stock Exchanges up to date.
- (ii) Trading in company's securities has been suspended since 27th March 2013 for non compliance of certain clauses of listing agreement. The Company has since complied with and awaiting revocation of suspension from BSE Ltd.

10. Buy Back of Shares

There was no buy back of shares during the year under review.

11. Acknowledgements:

Your directors take this opportunity to express their appreciation for the co-operation received from State bank of India, ICICI Bank Limited, the office of Central Government and the State Government at various levels and others who have associated with the company.

Your company considers its employees as the most valuable asset and believes that it is the people who are behind a strong and professional organization. The Board wishes to place on record its sincere appreciation for the contribution, devotion and dedicated efforts put in by the employees at all levels in ensuring high levels of performance and growth that your company has achieved during the year.

Appreciation is taken on record for the continued support being extended by the Shareholders.

Place : Bangalore
Date 30th May 2013.

On behalf of the Board
Mustafa Kamal Basha
Chairman & Managing Director

**ADDENDUM TO THE DIRECTOR'S REPORT
TO THE MEMBERS FOR THE FINANCIAL
YEAR ENDED ON 31ST MARCH, 2013 AND
FORMING A PART THEREOF.**

Information pursuant to Section 217(3) of the Companies Act, 1956 and forming part of the aforesaid Director's Report.

Explanation to Basis of Qualified Opinion expressed in the Auditors Report on actuarial Valuation of liability towards employee's gratuity.

Employees gratuity payment is covered under the policy taken from Life Insurance Corporation of India which has since issued the valuation certificate.

Place : Bangalore
Date 30th May 2013.

On behalf of the Board
Mustafa Kamal Basha
Chairman & Managing Director

Annexure "A" to Director's Report

CONSERVATION OF ENERGY:

a) Energy Conservation measures taken:

The company has always been conscious of the need to conserve energy and all appropriate steps are being taken to reduce energy consumption.

b) Additional Investments and Proposals if any, being implemented for reduction of Consumption of Energy. Nil

c) Impact of measures at (a) and (b) above for reduction of Energy Consumption and consequent impact on the cost of production of goods.

The company could reduce consumption of power.

d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure. Not Applicable

**Annexure "B" to Director's Report
Form "B"**

**Disclosure of particulars with respect to
'Technology Absorption:'**

A. Research and Development (R&D):

The company is a manufacturing organization and is not engaged in any major Research and Development activity. However, continuous efforts are made to improve the quality and efficiency and to develop new products.

B. Technology Absorption, Adaptation and Innovation:

(i) Efforts in brief, made towards technology absorption, adaptation and innovation.

(ii) Benefits derived as a result of the above efforts, eg. Product improvement, Cost reduction, Product development, Import substitution etc

(i) & (ii) Based on our continuous efforts made towards technology absorption and innovation, the company could achieve smooth plant operation and better efficiency norms during 2012-2013 in both Wiring Accessories and Electro Mechanical Devices Units, as to compared the previous year.

(iii) In case of Imported Technology (Imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:

- a) Technology Imported :
b) Year of Import : The Technology used
c) Has Technology been fully absorbed : for manufacturing
d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: : company's product's is indigenous.

Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings : Rs. NIL
Foreign Exchange outgo : Rs. 108251/-

**Annexure "C" to Director's Report
CORPORATE GOVERNANCE**

1. Company's Philosophy:

Your company has been practising sound Corporate Governance Practises long before the Securities and Exchange Board of India (SEBI) Guidelines on Corporate Governance were notified. A good Corporate Governance policy is one which results in the control of the company in a regulated manner

which makes management transparent, ethical, accountable and fair resulting in enhanced shareholder value. The Management is pleased to provide a detailed disclosure of specific matters required by SEBI.

2. Board of Directors:

The Board comprises of five directors, of whom three are promoter directors and remaining three are independent Directors. Shri.Mustafa Kamal Basha is the Chairman and Managing Director and Shri S.M.MAzeez is the Whole-time Director of the company. The rest of the directors are Non-Executive directors.

During the year under review, five Board meetings were held. The composition of Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also Directorship's / Membership / Chairperson of Committees in other companies are as follows:

S.No	Name of Director	Category of Director	No. of Meetings Attended	Attendance at last AGM (13.09.2007)	Directorship in other Companies	Membership/ Chairperson of Committees of other Companies
1.	Sri.Mustafa Kamal Basha	Chairman & Managing Director	5	Yes	Nil	Nil
2.	Sri. S.M.M.Azeez	Whole-time Director	5	Yes	Nil	Nil
3.	Smt. Farah Kamal	Promoters Non - Executive Director	5	No	Nil	Nil
4.	Sri. Akmal Hasan Razvi	Non - Executive Independent Director	5	Yes	Nil	Nil
5.	Dr. Mohammed Taha Matheen	Non - Executive Independent Director	4	Yes	Nil	Nil

The details of the attendance of Directors for committee meetings Viz., Audit Committee and Shareholders / Investors Grievance Committee are furnished elsewhere.

3. Audit Committee:

(i) Terms of reference:

Apart from all the matters provided in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Committee reviews reports of the Internal Audit department, meets Statutory Auditors periodically and discusses their findings, suggestions, internal control systems, scope of Audit, observations of the auditors and other related matters and reviews major accounting policies followed by the company. The minutes of the Audit Committee meetings are circulated to and confirmed by the Board of Directors.

(ii) Composition:

Dr.Mohd.Taha Matheen, an Independent and Non-Executive Director is the Chairman of the Audit Committee. The Committee comprises of three Non-Executive Directors.. The present members of the Audit Committee together with their attendance at the Audit Committee meetings during the financial year 2012-2013 are furnished hereunder:

No.	Name of the Director	Designation	No. of Meetings held	No. of Meetings Attended
1.	Dr.Mohd.Taha Matheen	Chairman	4	4
2.	Smt. Farah Kamal	Member	4	4
3.	Sri. Akmal Hasan Razvi	Member	4	4

4. Shareholder's / Investor's Grievance Committee

(i) Terms of reference:

The shareholder's /Investor's Grievance Committee oversees the following functions:

- Approving the transfer and transmission of securities.
- issuance of Duplicate Share Certificates.
- Redressing grievances received from the investors.
- Suggesting measures to improve investor satisfaction.

(i) Composition

Sri. Akmal Hasan Razvi, an Independent and Non-Executive Director is the Chairman of the Committee. The Committee comprises of three Non-Executive Directors.. The present members of the Committee together with their attendance at the Committee meetings during the financial year 2012-2013 are furnished hereunder:

No.	Name of the Director	Designation	No. of Meetings held	No. of Meetings Attended
1.	Sri. Akmal Hasan Razvi	Chairman	4	4
2.	Smt. Farah Kamal	Member	4	4
3.	Dr. Mohd Taha Matheen.	Member	4	3

5. Share Transfer Committee:

(i) Terms of reference:

The Committee has been formed to approve matters relating to Transfer and Transmission of Securities issued by the company and other allied matters.

(ii) Composition:

The committee comprises of Three directors. Other details are as follows:

No.	Name of the Director	Designation	No. of Meetings held	No. of Meetings Attended
1.	Sri S.M.M.Azeez	Chairman	12	12
2.	Sri Mustafa Kamal	Member	12	12
3.	Smt. Farah Kamal	Member	12	12

(i) Investor's requests received and resolved during the year:

The company has about 3963 investors. During the year under review, all the requests received towards Transfer/Transmission of shares and other matters have been redressed to the satisfaction of the shareholders.

6. Details of remuneration paid to directors for the year 2012-2013:

(a) Executive Directors:

Name of the Director	Designation	Salary	Perquisites
Sri. Mustafa Kamal Basha	Chairman & Managing Director	Rs. 1500000.00	Rs. 0.00
Sri .S.M.M. Azeez	Executive Director	Rs. 1500000.00	Rs. 0.00

(a) Non-Executive Directors:

The Company doesn't pay any remuneration to Non-Executive Directors, except sitting fee for attending the meetings of the Board and Committee thereof.

7. Board Procedures:

The Board of Directors of the company met on Five occasions and on no occasions the gap between two meetings exceeded Four months. The dates of Board Meetings are furnished hereunder.

30.04.2012	28.05.2012	30.07.2012	30.10.2012	30.01.2013
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None of the Directors is a member of more than 10 Committees or acted as the Chairman of more than 5 Committees across all the companies in which they were directors.

Further, the directors of the company who are holding the positions as directors in other companies have intimated the company about the Committee positions they occupy in other companies.

8. Shareholders:

Appointment of Dr. Mohd. Taha Matheen and Sri. Akmal Hasan Razvi retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. A brief resume and directorships and membership in Committees of the Board/s of the other companies are furnished hereunder:

S.No.	Name of the Director	Appointment or Re-appointment	Brief Resume	Other Directorships
1.	Dr. Mohd. Taha Matheen	Re-appointment	He is a reputed Doctor running a nursing home having rich experience in corporate matters.	Nil
2.	Sri. Akmal Hasan Razvi	Re-appointment	He is a law graduate having vast legal and managerial experience.	Nil

9. General Body Meetings:

Details of date and venue of the last three Annual General Meeting's are given below:

Details of meeting	Date	Venue
25 th Annual General Meeting	22 nd September, 2010	Ramanna Maharashree Heritage Centre, Sanjay nagar, Bangalore-94
26 th Annual General Meeting	21 st September, 2011	M/s Toyama Electric Limited #36(A), KIADB Industrial Area, Hoskote, Bangalore - 562114.
27 th Annual General Meeting	18 th September, 2012	

Special Resolutions transacted at the last three Annual General Meetings:

There was no occasion to pass Special resolution through postal ballot on any matters specified under Clause 49 of the Listing Agreement.

10. Disclosure:

- There are no materially significant transactions with the related parties Viz., Promoters, Directors or the Management, their subsidiaries or relatives conflicting with company's interest.
- No penalties or Stictures were imposed on the company by any regulatory authority for non-compliance of any law.

11. Compliance of Insider Trading Norms:

The Company has adopted the code of internal procedures and conduct for Listed companies notified by the Securities and Exchange Board of India prohibiting Insider Trading. A policy document on Internal code of conduct is available at the Registered office of the company.

12. Means of Communication:

The Quarterly, Half-yearly and Annual Audited Results of the company are sent to the Stock Exchanges immediately after they are approved by the Board. The results are published in Financial Express (All India Editions) and in Sanjee Vani (Local Daily).

12. General Shareholder's Information:**(i) Annual General Meeting:**

- a. Date : 18.09.2013
 b. Time and venue : 11:00 AM at the Registered office
 c. Financial year : 01.04.2012- 31.03.2013
 d. Date of the Book-Closure : 18.09.2013 to 18.09.2013 (One day only)
 e. Listing of Stock Exchange : BSE Limited.
 f. Dividend payment date : Within 5 days.
 g. Company's Code/Symbol/Series in Stock Exchanges : i) BSE517407/TOYAMELECTRIC (BSE INDONEXT)

(ii) Tentative Financial Calander: (2013-2014)

- a) Annual General Meeting : 18th September, 2014
 b) Results for the quarter ending 30th June, 2014 : Last week of July 2013.
 c) Results for the quarter ending 30th September, 2014 : Last week of October, 2013.
 d) Results for the quarter ending 31st December, 2014 : Last week of January, 2014.
 e) Results for the quarter ending 31st March, 2014 : Last week of May 2014

Distribution of Shareholding as on 31.03.2013

Share holding of Nominal Value of	Share Holders		No. of Shares	
	Rs.	Ps.	Number	% of Total
(1)	(2)	(3)	(4)	(5)
Up to 5,000		3704	93.46	
5,001-10,000		138	3.48	16.61
10,001-20,000		47	1.19	3.80
20,001-30,000		25	0.63	2.46
30,001-40,000		10	0.25	2.16
40,001-50,000		6	0.16	1.17
50,001-1,00,000		14	0.35	0.93
1,00,001 and above		19	0.48	3.76
Total		3963	100.00	69.11
			30,00,000	100.00

(ii) Details of share holding as on 31.03.2013

Sl.No	Category	No. of Shares held	Percentage of holding
1.	Promoters	1674070	55.80
2.	Foreign Institutions, Banks & mutual Funds	Nil	Nil
3.	Private Corporate bodies	135173	4.50
3.	NRI's, Foreign Nationals, OCB's & FII's	66318	2.22
4.	Indian Public	1124439	37.48
	TOTAL	30,00,000	100.00

iv) Market Price Data:

High/low of market price of the Company's equity shares traded on the BSE during the Financial year 2012-2013 was as follows:

Month	BSE Limited	
	High	Low
April 2012	17.25	11.50
May 2012	14.05	10.31
June 2012	10.08	08.49
July 2012	10.85	08.90
August 2012	11.70	09.00
September 2012	11.45	08.40
October 2012	15.39	10.63
November 2012	17.60	14.50
December 2012	18.50	13.85
January 2013	14.40	10.53
February 2013	13.00	10.05
March 2013	11.64	19.60

(v) Dematerialisation of Shares & Liquidity:

The Shares of the company fall under compulsory delivery in dematerialized mode by all categories of investors. The International Securities Identification Number (ISIN) allotted to the company is INE081D01016. The company has signed agreements with both National Securities Depository Limited and Central Depositories Services (India) Limited. About 33.45% of Company's Shares have been dematerialized as on 31.03.2013.

(vi) Registrar and Transfer Agents:

Pursuant to the recent listing Agreement/SEBI requirement, your company has appointed M/s. Integrated Enterprises India Limited as Common Agency to look after the issues relating to Dematerialised/Physical Shares. As such, all investor related matters including share transfers are handled by them. Necessary delegation of authority for smooth execution of the activities like transfer, endorsement, allotment endorsement, etc. has been made. Periodical reports are being received and necessary action is also taken for redressal of grievances of investors, if any.

(vii) Share Transfer System:

Consequent to appointment of M/s. Integrated Enterprises India Limited as Share Transfer Agents, the share transfer work of Physical Shares has been delegated to the above said Agency. However, periodical reports are being received by the company in respect of transfers made and necessary delegation has also been made for the endorsement of transfers, etc for smooth execution of the share transfers and other connected works.

(viii) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion date and likely impact on Equity shares:

No such warrants /instruments have so far been issued by the company.

(ix) **Plant Location:**

M/s. Toyama Electric Limited
36(A), KIADB Industrial Area,
Hoskote,
Bangalore – 562 114.

(x) **Address for correspondence:**

Investor Correspondance for Transfer / dematerialisation of shares, payment of dividend on shares and any other query relating to the shares of the company.	M/s. Integrated Enterprises India Limited # 30, Ramana Residency, 4 th Cross, Sampige Road, Malleswaram, Bangalore – 560 003. Tel : 080 – 23460815 – 18 Fax : 080 – 23460819 E-Mail : alfint@vsnl.com
Any query on Annual Report	Mr. Mustafa Kamal Basha Chairman & Managing Director M/s. Toyama Electric Limited # 36(A), KIADB Industrial Area, Hoskote, Bangalore – 562 114. Tel : 080 – 27971457 E-Mail : mustafa.toyama@gmail.com www.toyamaindia.com

(xi) **Location of Registered Office:**

M/s Toyama Electric Limited
#36(A), KIADB Industrial Area,
Hoskote, Bangalore 562114
Tel: 080-7971457/7971466/7971607
Fax:080-7971749
E-Mail: toyama@vsnl.com
www.toyamaindia.com

**Annexure 'D' to Director's Report
MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

1. INDUSTRY STRUCTURE AND DEVELOPMENTS:

Due to recession still continuing and lull in the housing sector, and enhanced competition by MNCs there is stiff competition in the market for our company's products. However, due to continued efforts your management is hopeful of growth in the coming years.

2. OPPURTUNITIES AND THREATS:

With the size and population of a country like India the opportunities in the housing sector are continuous. The current situation in Infrastructure and investments are also indicating a favourable outlook for this industry. The threat is coming in from the MNC 's in this segment and also the mushrooming of small players who operate at lower duties make this industry highly competitive.

3. SEGMENT WISE PERFORMANCE:

PARTICULARS	SALES (in Units)		SALES (in Rs.)	
	2012-13	2011-12	2012-13	2011-12
Wiring Accessories & Electro Mechanical Devices	2110495	2485328	90294978	72368037

The aggressive tactics of MNC's to take market share at any cost is affecting sales temporarily.

4. OUTLOOK:

The company is hopeful of reasonable growth for the current year. It is also its endeavourer to benchmark and upgrade its products to match the onslaught of MNC competitors. The company is also on the lookout for export manufacturing and trying to explore venues for the same.

5. RISKS AND CONCERNS:

In Electro mechanical devices, obsolescence of designs are becoming faster. The turn around time for new products is falling, which is a grave risk.

6. INTERNAL CONTROLS AND SYSTEMS:

The company has adequate system of Internal Controls to ensure accuracy of records and compliance with statutory laws and guidelines prescribed by the management.

An independent firm of Chartered Accountants also carries out an internal audit.

7. Financial performance with respect to Operational performance:

PARTICULARS	2012-13	2011-12
Sales (Rs. In crores)	10.88	8.25
Profit Before Tax (Rs. In Lakhs)	60.94	(13.41)

Your company has posted a turnover of Rs. 10.88 crores showing an increase of Rs.2.63 crores over the previous year. Despite substantial increase in input costs your company has posted a profit of Rs/60.94 lakhs before tax.. The Over all performance of the Company during the year is satisfactory.

1. HUMAN RESOURCES

The company is continuously trying to enhance its human resources. Training programmes were conducted in the manufacturing and sales side.. On the selling front a lot of programs were conducted for enhancing the selling skills of the sales team. The company is working in the current year to work on an effective sales management program for its middle level managers.

CEO & CFO CERTIFICATION

- A. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2013 and certify, that to the best of our knowledge and belief, that:
- I. these documents present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
 - II. These statements do not contain any materially untrue statement OR omit any material fact or contains statements that might be misleading.
 - III. No transaction entered into by the company during the year were fraudulent, illegal or violative of the company's code of conduct and no instances of fraud took place;
 - IV. We accept responsibility for establishing and maintaining internal controls for financial reporting.
 - V. We have evaluated the effectiveness of the internal control systems of the company, and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and have taken steps to rectify the same, wherever found.
 - VI. Significant changes in the internal control over financial reporting as well as changes in accounting policies, if any have been intimated to the auditors and the Auditors and the Audit Committee and been disclosed in the notes to the financial statements.
- B. We further declare, in compliance to clause 49, I (D) (ii) to Listing Agreement, that all the members and senior management personnel have affirmed compliance with the code of conduct of the company.

For Toyama Electric Limited.

Mustafa Kamal
Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of TOYAMA ELECTRIC LIMITED Bangalore

1. We have examined the compliance of conditions of Corporate Governance by TOYAMA ELECTRIC LIMITED Bangalore for the year ended 31st March 2013 as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.
3. We are informed that trading in Company's Securities has been suspended since 27th March, 2013 due to certain discrepancies relating to the period 2007 to 2012, and the Company has confirmed that it has sent copies of the reports / information sought by BSE Ltd. The Company is awaiting the revocation of suspension.
4. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management and subject to our comments in paragraph 3 above, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For K.S.AIYAR & CO
Chartered Accountants
Firm Registration Number 100186W

Bangalore
30-May-2013

Ramamohan Hegde
Partner
M. No. 23206

Independent Auditor's Report

To the Members of
Toyama Electric Limited
Bangalore.

Report on the Financial Statements

We have audited the accompanying financial statements of Toyama Electric Limited ('the Company') which comprise the Balance Sheet as at 31st March 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the

appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

The Company has not done the actuarial valuation of the liability towards the employee gratuity (amount unascertained). Provision for gratuity liability has been made on the management estimate and on the basis of a gratuity report given by the Life Insurance Corporation of India, which constitutes a departure from the accounting standard AS 15 referred to in sub-section 3C of Section 211 of the Companies Act, 1956. Refer note no 34 (b) of the Notes to financial statements.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2013;*
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and*
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.*

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:

-
- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. except for the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, the Statement of Profit and Loss and cash flow statement dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956
- e. on the basis of written representations received from the directors as on 31st March 2013, and taken on

record by the Board of Directors, none of the directors is disqualified as on 31st March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For K S AIYAR & CO.
Chartered Accountants
Firm registration number 100186W

RAMAMOHAN R HEGDE
Partner
Membership number: 23206

Bangalore
30th May, 2013

Annexure to the Auditors' Report

The Annexure referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Toyama Electric Limited for the year ended 31st March 2013.

(i)

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

(b) All the assets have been physically verified by the Management during the year and there is a regular programme of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on the verification.

(c) The Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.

(ii)

(a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have properly dealt with in the books of account.

(iii)

(a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (a) to (d) of the Order are not applicable to the Company and hence not commented upon.

b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section

301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.

(vi) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of Raw Materials, stores, components, Plant and Machinery, Equipment and other assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

(v)

(a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.

(b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of such contracts or arrangements exceeding Rs Five Lakhs each which have been made at prices, which are not reasonable having regard to the prevailing market prices, for such goods, materials or service at the relevant time.

(vi) According to the information and explanations given to us, the Company has not accepted any deposits Under Section 58A of the Companies Act, 1956.

(vii) In our opinion, the Company has an internal Audit system commensurate with the size and nature of its business.

(viii) We have broadly reviewed the books of account and records maintained by the Company pursuant to the Rules made by Central Government for the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made detailed examination of the records for determining whether they are accurate or complete.

- (ix)
- (a) According to information and explanation given to us, and as per our verification of records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund and Employees State Insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears as at 31st March 2013 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company does not have any accumulated losses as at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xi) Based on the information and explanations given by the management, and as reflected in the books the Company did not have any outstanding dues to any financial institution or bank.
- (xii) The Company has not granted 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 company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) According to information and explanations given to us, Company is not a dealer or trader in share, securities, debentures and other securities.
- (xv) According to information and explanations given to us, the Company has not given any

guarantees for loans taken by others from banks or financial institutions.

- (xvi) According to the information and explanation given to us and as per the books of account the Company has not taken any term loans during the year.
- (xvii) According to the information and explanations given to us and as per the books of account the Company has not raised any funds on short term basis.
- (xviii) The Company has not made any preferential allotment of shares to any parties during the year.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

For **K.S.AIYAR & CO.,**
Chartered Accountants

Firm Registration Number 100186W

Bangalore
30th May, 2013

RAMAMOHAN R HEGDE
Partner
Membership No.23206

BALANCE SHEET AS AT 31ST MARCH, 2013

		As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
Equity and liabilities			
Shareholders' funds			
Share capital	3	2,99,71,698	2,99,71,698
Reserves and surplus	4	6,04,71,831	5,89,56,849
		9,04,43,529	8,89,28,547
Share application money pending allotment		1,11,800	-
Non-current liabilities			
Deferred tax liabilities (net)	5	28,89,567	25,87,555
Other long term liabilities	6	-	1,04,342
Long-term provisions	7	10,26,197	5,42,773
		39,15,764	32,34,670
Current liabilities			
Trade payables	8	1,44,80,892	99,38,402
Other current liabilities	9	56,16,685	54,30,939
Short-term provisions	10	27,56,486	88,858
		2,28,54,063	1,54,58,199
TOTAL		11,73,25,156	10,76,21,416
Assets			
Non - current assets			
Fixed assets	11	3,48,62,129	3,47,48,099
Tangible assets		49,164	12,850
Intangible assets		6,81,069	-
Capital work-in-progress		3,55,92,362	3,47,60,949
Non-current investments	12	29,15,000	29,15,000
Long-term loans and advances	13	93,81,061	1,16,60,329
Other non-current assets	14	72,86,250	83,56,049
		1,95,82,311	2,29,31,378
Current assets			
Inventories	15	1,83,35,011	1,46,66,235
Trade receivables	16	3,27,73,799	2,71,15,045
Cash and bank balances	17	1,00,55,701	63,25,832
Short-term loans and advances	18	8,92,813	17,61,602
Other current assets	19	93,159	60,375
		6,21,50,483	4,99,29,089
TOTAL		11,73,25,156	10,76,21,416

Summary of significant accounting policies 2
The accompanying notes are
an integral part of the financial statements 3 to 45
As per our report of even date

For K.S.Aiyar & Co
Chartered Accountants
Firm Registration number-100186W

Ramamohan R Hegde
Partner

Mustafa Kamal
Chairman & Managing Director

S.M.M.Azeez
Director

Place: Bangalore
Date : 30th May 2013

For and on behalf of the Board

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

		Year ended 31st March, 2013	Year ended 31st March, 2012
Revenue			
Revenue from operations (gross)	20	10,88,25,448	8,25,38,569
Less: Excise duty		1,85,30,470	1,01,70,532
Revenue from operations(net)		9,02,94,978	7,23,68,037
Other income	21	3,80,206	1,49,546
Total revenue		9,06,75,184	7,25,17,583
Expenses			
Cost of materials consumed	22	3,27,32,034	2,51,95,853
Purchase of stock-in-trade		86,44,089	78,27,261
Changes in inventories of finished products, work-in-progress and traded goods	23	(27,51,383)	3,66,685
Employee benefits expense	24	2,02,50,875	1,86,99,919
Depreciation and amortisation expenses	11	24,08,743	24,48,561
Other expenses	25	2,32,96,443	1,93,20,897
Total expenses		8,45,80,801	7,38,59,176
Profit/(loss) before taxes		60,94,383	(13,41,593)
Tax expenses			
Current tax		16,30,000	-
Deferred tax		3,02,012	(4,40,043)
Short/(excess) provision of earlier years		(52,999)	-
Total tax expenses		18,79,013	(4,40,043)
Profit/(loss) for the year		42,15,370	(9,01,550)
Earnings per equity share { nominal value per share Rs 10/- (31st March 2012: Rs 10/-)}			
Basic and Diluted earnings per share	40	1.41	-0.30
Significant accounting policies	2		

The accompanying notes are **3 to 45**
an integral part of the financial statements

As per our report attached

For K.S.Aiyar & Co
Chartered Accountants
Firm Registration number-100186W

Ramamohan R Hegde
Partner

Place: Bangalore
Date : 30th May 2013

For and on behalf of the Board

Mustafa Kamal
Chairman & Managing Director

S.M.M.Azeez
Director

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

	2013 Rupees	2012 Rupees
A Cash flow from operating activities		
Profit before taxation	60,94,383	(13,41,593)
Adjustments for:		
Depreciation/Amortisation	24,08,743	24,48,561
(Profit)/loss on sale of fixed assets	-	41,931
	24,08,743	24,90,492
Operating Profit before working capital changes	85,03,126	11,48,899
Movement in working capital:		
Decrease/(Increase) in Trade and Other Receivables	(39,32,950)	(17,76,695)
Decrease/(Increase) in Inventories	(36,68,776)	1,58,501
Increase/(Decrease) in Trade and Other Payables	51,50,105	16,29,922
	(24,51,621)	11,728
Cash generated from/(used in) operations	60,51,505	11,60,627
Taxes paid, net	(11,17,729)	(30,905)
Net cash from operating activities (A)	49,33,776	11,29,722
B Cash flow from investing activities		
Purchase of fixed assets	(26,34,638)	(30,65,803)
Capital work in progress	(6,81,069)	-
Advance towards capital goods	20,00,000	(20,00,000)
Sale of fixed assets	-	1,20,000
Net cash used in investing activities (B)	(13,15,707)	(49,45,803)
C Cash flow from financing activities		
Proceeds from share application money received	1,11,800	-
Net cash flow from (used in) in financing activities (C)	1,11,800	-
Net increase in cash & cash equivalents (A) + (B) + (C)	37,29,869	(38,16,081)
Cash or cash equivalent at the beginning of the year	63,25,832	1,01,41,913
Cash or cash equivalent at the end of the year*	1,00,55,701	63,25,832
*includes earmarked balance with banks	8,66,109	10,90,063

1. Figure in bracket indicate outflows.
2. Previous year figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.
3. The accompanying significant accounting policies and notes form integral part of the financial statements.
4. 'Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

As per our report of even date

For K.S.Aiyar & Co
Chartered Accountants
Firm Registration number-100186W

For and on behalf of the Board

Ramamohan R Hegde
Partner

Mustafa Kamal
Chairman & Managing Director

S.M.M.Azeez
Director

Place: Bangalore
Date : 30th May 2013

1. Company overview

Toyama Electric Limited ('the company') was incorporated as a private limited company on July 15th, 1985 and domiciled in India and incorporated under the provisions of the Companies Act, 1956. Company was converted into Public company on 1st December, 1993 and listed in Bombay Stock exchange. The Company is engaged in the manufacturing and selling of electrical switches, transformers and components there of.

2 Statement of significant accounting policies

2.1 Basis of preparation and presentation of financial statements

The financial statements of the Company have been prepared to comply, in all material respects, with the accounting principles generally accepted in India, including mandatory Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) under the historical cost convention and on an accrual basis. The accounting policies, in all material respects, have been consistently applied by the Company and are consistent with those used in previous year.

2.2 Use of estimates

The preparation of the financial statements is in conformity with Indian GAAP, requiring management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future years.

2.3 Revenue Recognitions

Sales and services

Sale of goods are recognised when significant risk and rewards of ownership of the goods have passed to buyer, which generally coincides with dispatch of goods. Gross sales are inclusive of applicable excise duty and exclusive of sales tax. Revenue from services are recognised as and when such services are rendered. Revenue from scrap is recognised on sale.

Dividend and interest income

Dividend is recognised when declared and interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.4 Tangible and intangible fixed assets

Tangible and intangible fixed assets are stated at cost less accumulated depreciation/amortisation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its

intended use.

2.5 Depreciation and amortisation

Depreciation is provided on written down value method on all assets except machinery & tools for new projects which are being depreciated on straight line method at the rates prescribed under schedule XIV. The depreciation on revalued cost of the assets are being reduced from the revaluation reserve.

2.6 Impairment of tangible and intangible fixed assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the asset. After impairment, depreciation provided on revised carrying amount of the assets over its remaining useful life. Previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

2.7 Inventories

Raw materials, stores, spares and tools are valued at lower of cost and net realizable value. Cost of raw materials comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw material is determined on a weighted average method.

Work in progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost determined on a weighted average method.

Net realisable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

2.8 Employee Benefits

Short term employee benefits are recognised as an expense in the statement of profit and loss of the year in which the related service is rendered.

Defined Contribution Plans

Company's contribution paid/payable during the year to Provident fund, ESIC and labour welfare fund are Defined contribution plans and are accounted on accrual basis and charged to the statement of profit and loss of the year. There are no other obligations other than the contribution payable to respective funds.

Defined Benefit Plans

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit credit method made at the end of each year. The company funds the benefit through contribution to LIC. The company recognises the actuarial gain and losses in the statement of profit and loss in the period in which they arise.

Company does not have policy to pay compensated absences.

2.9 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long term investments.

2.10 Foreign Currency Transactions

Foreign currency transaction are accounted for at the exchange rates prevailing at the date of transaction. Gain and losses resulting from settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit and loss.

2.11 Taxation

Provision for income tax is made for current and deferred taxes. Provision for current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred tax on account of timing differences between taxable and accounting income is accounted for by applying tax rates and laws enacted or substantially enacted on the balance sheet date.

Deferred tax assets are recognised and carried forward only if there is reasonable certainty of situation. However in case of carried forward losses and unabsorbed depreciation under the Income Tax Act, 1961, the Deferred tax asset is recognised if and only if there is a virtual certainty backed by convincing evidence of its situation. Such assets are reviewed at each Balance Sheet date to reassess its realisation.

Advance taxes and provision for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction and where company intends to settle the asset and liability on net basis.

Deferred tax asset and/or liability have been offset as they relate to the same governing taxation laws.

2.12 Provisions and contingencies

A provision is recognised when an enterprise has a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle obligation, in respect of which a reliable estimate can be made. Provisions

are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognised nor disclosed

2.13 Leases

Lease arrangements where the risk and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Leases rentals under operating leases are recognised in statement of profit and loss.

2.14 Cash and cash equivalents

In the cash flow statements, cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments.

2.15 Earnings/(loss) per share

Basic earnings per share are calculated by dividing profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2013

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
3 Share capital		
Authorised shares:		
30,00,000 (Previous year : 30,00,000) equity shares of Rs.10 each	3,00,00,000	3,00,00,000
Issued, subscribed and fully paid up shares :	3,00,00,000	3,00,00,000
29,91,400 (previous year 29,91,400) equity shares of Rs.10 each, fully paid up	2,99,14,000	2,99,14,000
Add: Amount received on 8600 Forfeited Equity Shares	57,698	57,698
Total issued, subscribed and fully paid-up share capital	2,99,71,698	2,99,71,698

(a) The reconciliation of the number of equity shares and share capital:

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number of shares	Rs	Number of shares	Rs
At the beginning of the year	29,91,400	2,99,14,000	29,91,400	2,99,14,000
Movement during the year	-	-	-	-
Outstanding at the end of the year	29,91,400	2,99,14,000	29,91,400	2,99,14,000

(b) Rights, preferences, and restriction attached to shares.

The company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of the liquidation of the Company, the holder of equity shares will be entitled to receive the remaining asset of the Company, after distribution of all preferential amount, the distribution will be proportionate to the number of equity shares held by the shareholders.

(c) Number of share held by each share holder holding more than 5% of the issued shares capital

Name of Shareholder	As at 31-03-2013		As at 31-03-2012	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of Rs 10 each fully paid up				
Mustafa Kamal Basha	15,51,360	51.71%	15,51,360	51.71%

4 Reserves and surplus

Securities premium account

Opening Balance	2,39,53,346	2,39,53,346
Additions during the year	-	-
Deductions during the year	-	-
Closing balance	2,39,53,346	2,39,53,346

General reserve

Opening Balance	2,86,19,886	2,86,19,886
Additions during the year	-	-
Deductions during the year	-	-
Closing balance	2,86,19,886	2,86,19,886

Revaluation reserve

17,60,161	18,45,860
Less: Transferred to statement of profit and loss	75,551
Closing balance	16,84,610

Surplus

Opening Balance	46,23,460	55,25,006
Profit / (Loss) for the year	42,15,370	(9,01,550)
Amount Trasfered to general Reserve	(10,00,000)	-

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2013

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
Proposed final dividend on equity shares	(22,43,550)	-
Dividend distribution tax on equity shares	(3,81,291)	-
Closing Balance	52,13,989	46,23,460
	6,04,71,831	5,89,56,849
5 Deferred Tax liabilities (net)		
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation		33,66,411
and depreciation charged for the financial reporting	34,56,090	33,66,411
Gross deferred tax liability	34,56,090	
Deferred tax asset		
Impact of expenditure charged to statement of profit and loss		7,78,856
in the current year but allowed for tax purpose on payment basis	5,66,523	7,78,856
Gross deferred tax asset	5,66,523	
Deferred tax liabilities (net)	28,89,567	25,87,555
6 Other long term liabilities		
Trade payables	-	1,04,342
	-	1,04,342
7 Long-term provisions		
Provisions for employee benefits		5,42,773
Provision for gratuity (refer note 34)	10,26,197	5,42,773
	10,26,197	
8 Trade payables		45,58,269
Due to micro medium and small enterprises (refer note 38)	58,58,223	53,80,133
Due to others	86,22,669	99,38,402
	1,44,80,892	
9 Other current liabilities		17,02,612
Employee benefit payable	16,84,894	12,57,703
Statutory dues payable	17,07,945	4,98,700
Advance from customers	6,66,942	5,45,327
Unclaimed Dividend	3,12,835	14,26,597
Expenses payable	12,44,069	54,30,939
	56,16,685	
10 Short-term provisions		
Provisions for employee benefits		88,858
Provision for gratuity (refer note 34)	1,31,645	
Proposed dividend		
Provision for Dividend on Equity Shares	22,43,550	
Provision for Tax on Dividend on Equity Shares	3,81,291	
	27,56,486	88,858

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Figures as at the end of current reporting period Rupees				Figures as at the end of previous reporting period Rupees		
	Cost	Less: Depreciation	Book Value	Accumulated Depreciation	Cost	Less: Depreciation	Net Book Value
A: Tangible assets							
Land							
Buildings							
Plant and machinery							
Office equipment							
Motor vehicles							
Computer							
Total							
B: Intangible assets							
Goodwill							
Total							

Fixed Assets - Gross Value: ₹ 1,00,00,000
 Less: Accumulated Depreciation: ₹ 70,00,000
 Total Depreciation: ₹ 30,00,000

12 Non-current investments

Trade Investment

Investment in equity shares - Quoted, fully paid up

Future Venture (India) Ltd 25000 shares (25000 Shares) face value of Rs 10	4,50,000	4,50,000
Investments in mutual funds - quoted, fully paid up		
DSP Black Rock Equity Fund- Regular Plan- Growth 29517.68 Units (29517.68 Units) of Rs 17.28	5,10,000	5,10,000
Fidelity Equity Fund- Growth 11506.223 Units (11506.223 Units) of Rs 36.94	4,25,000	4,25,000
IDFC Premier Equity Fund- Plan A Growth 14,880.98 Units (14,880.98 Units) of Rs 34.27	5,10,000	5,10,000
Reliance Growth Fund- Retail Plan-Growth Plan 1,016.01 Units (1,016.01 Units) of Rs 501.96	5,10,000	5,10,000
Reliance Regular Savings - Equity Plan-Growth Option 15,473.99 Units (15,473.99 Units) of Rs 32.95	5,10,000	5,10,000

General Information:

Aggregate of quoted investment and market value thereof:

Equity shares :			
Book value	31/03/2013	31/03/2012	
Market Value	4,50,000	4,50,000	
Mutual Funds:	2,37,500	2,12,500	
Book value	24,65,000	24,65,000	
NAV Value	23,24,174	22,20,673	
	29,15,000	29,15,000	

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2013

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
13 Long-term loans and advances		
Capital advances		
Unsecured considered good	81,70,000	1,00,00,000
Security deposits		
Unsecured, considered good		
Electricity deposits	4,37,639	4,37,639
Other deposits	5,58,200	5,48,200
Advance tax (net of provision for income tax)	2,15,222	6,74,490
	93,81,061	1,16,60,329
14 Other non-current assets		
Long term trade receivables		
Unsecured and considered good	72,86,250	83,56,049
	72,86,250	83,56,049
15 Inventories (valued at lower of cost and net realisable value)		
Raw material	52,51,272	45,73,571
Stores and spares	4,58,787	4,73,393
Work-in-progress	36,65,955	25,58,801
Finished goods	54,71,761	44,84,987
Traded goods	34,87,236	25,75,483
	1,83,35,011	1,46,66,235
16 Trade receivables		
Unsecured and considered good		
Outstanding for a period exceeding six months from the date they are due for payment	35,04,335	25,45,913
Others receivables	2,92,69,464	2,45,69,132
	3,27,73,799	2,71,15,045
17 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	5,548	1,14,307
Balance with Bank		
In current account	91,84,044	51,21,462
Total (A)	91,89,592	52,35,769
Other bank balances		
In dividend account	3,12,835	5,45,326
Balance with bank held as margin money	5,53,274	5,44,737
Total (B)	8,66,109	10,90,063
Total Cash and bank balances (A+B)	1,00,55,701	63,25,832
<p>Cash and cash equivalents as of 31st March 2013 and 31st March,2012 include restricted cash and bank balances of Rs.5,53,274/-(5,44,737) Restriction primarily on account of deposit held as margin for bank guarantees and balance with dividend accounts</p>		
18 Short-term loans and advances		
Unsecured and considered good		
Prepaid expenses	1,43,808	1,82,542
Loans and advances to employees	1,71,006	2,11,729
Deposit with Government departments	4,28,566	9,34,888
Advance recoverable in cash or in kind	1,49,433	4,32,443
Total short term loans and advances	8,92,813	17,61,602

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2013

	Figures as at the end of current reporting period Rupees	Figures as at the end of previous reporting period Rupees
19 Other current assets		
Unsecured and considered good		
Interest receivable	93,159	60,375
	93,159	60,375
20 Revenue from operations (gross)		
Sale of products - manufactured goods (gross)	9,88,74,554	6,94,10,911
Sale of products - traded goods	96,56,198	1,17,64,341
Other operating revenues	2,94,696	13,63,317
	10,88,25,448	8,25,38,569
21 Other Income		
Interest income	80,582	40,426
Liabilities no longer required written back	1,36,124	-
Miscellaneous income	1,63,500	1,09,120
	3,80,206	1,49,546
22 Cost of materials consumed		
Raw material and components		
Opening stock	45,73,571	44,23,540
Add: Purchases	3,33,97,498	2,52,92,439
Less: Closing stock	52,51,272	45,73,571
	3,27,19,797	2,51,42,408
Adjustment for excise duty on stock	12,237	53,445
Cost of materials consumed	3,27,32,034	2,51,95,853
23 Changes in inventories of finished products,work-in-progress and traded goods		
Finished goods		
Opening stock	44,84,987	43,75,859
Less : Closing stock	54,71,761	44,84,987
	A (9,86,774)	(1,09,128)
Work-in-progress		
Opening stock	25,58,801	25,89,755
Less : Closing stock	36,65,955	25,58,801
	B (11,07,154)	30,954
Traded Goods		
Opening stock	25,75,483	29,57,682
Less : Closing stock	34,87,236	25,75,483
	C (9,11,753)	3,82,199
Adjustment for excise duty on stock	D 2,54,298	62,660
	A+B+C+D (27,51,383)	3,66,685
24 Employee benefits expense		
Salaries, wages and bonus	1,51,50,428	1,42,97,538
Contribution to provident and other funds	9,66,368	9,40,954
Gratuity expense (refer note 34)	6,14,976	44,802
Director's remuneration	30,00,000	30,00,000
Staff welfare expenses	5,19,103	4,16,625
	2,02,50,875	1,86,99,919

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2013

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
25 Other expenses		
Consumption of stores & spares	21,08,630	12,22,190
Power and fuel	23,11,636	21,75,519
Packing materials	25,78,107	19,23,993
Lease rentals	6,24,900	5,82,860
Repairs and maintenance machinery and electricals	8,73,908	4,27,324
others	4,88,087	3,33,736
Labour charges	26,61,130	14,89,067
Transportation	15,61,296	17,99,964
Rates & taxes	4,72,160	1,96,064
Directors' sitting fees	27,000	54,000
Business promotion expenses	13,56,479	10,69,904
Communication expenses	9,79,392	10,05,875
Printing and stationery	2,32,615	2,20,722
Professional charges	5,37,064	6,56,397
Travelling and conveyance	39,81,695	30,94,600
Vehicle maintenance	5,33,383	3,53,939
Bad debts / Advances written off	1,01,571	22,457
Commission, discounts	5,45,470	16,61,361
Bank charges	24,612	54,446
Auditors' remuneration		
For Statutory audit	1,20,000	1,20,000
For Tax audit	40,000	40,000
For Certification/ limited review	54,500	40,000
Out of pocket expenses	15,500	13,000
Loss on sale of fixed asset	-	41,931
Foreign Exchange loss (net)	1,07,328	25,865
Miscellaneous expenses	9,59,980	7,04,683
	2,32,96,443	1,93,20,897

26 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) - Rs.170,000/- (Previous Year-Rs NIL)

27 Value of imports on CIF basis

Particulars	In Rupees	
	Year ended 31st March, 2013	Year ended 31st March, 2012
Raw Materials	1,08,251	1,97,401
Total	1,08,251	1,97,401

28 Earnings in foreign exchange

Particulars	In Rupees	
	Year ended 31st March, 2013	Year ended 31st March, 2012
Export of goods on FOB basis		1,17,725
Total		1,17,725

29 Value of raw materials consumed

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
	% of total consumption	Value (Rs)	% of total consumption	Value (Rs)
Indigenous	99.73%	3,26,41,607	98.79%	2,48,92,177
Imported	0.27%	89,427	1.21%	3,03,676
Total	100.00%	3,27,32,034	100.00%	2,51,95,853

30 Raw materials consumed under broad heads

Particulars	In Rupees	
	Year ended 31st March, 2013	Year ended 31st March, 2012
Raw Material		
Poly Carbonate(White)	46,95,650	25,66,252
Poly Carbonate(Dark Grey)	8,93,001	8,98,923
Abs 300 Lvs White-R102001	39,07,121	29,62,300
Abs Dark Grey	5,34,327	6,34,436
Brass 0.45X45M1 & 0.7X36	22,65,725	18,92,371
Inlay Cu(1) & Cu(2)	23,98,713	17,89,335
Components		
Bi Metal Contact -Lu 1,2,3	27,51,729	20,43,427
Wht 8 & 13 & 14 C 90201012 With	62,49,524	39,50,175
Others components	90,36,244	84,58,739
Total	3,27,32,034	2,51,95,853

31 Particulars of Manufactured goods

Particulars	In Rupees	
	Year ended 31st March, 2013	Year ended 31st March, 2012
Opening Inventories		
Switches	38,87,673	37,75,132
Transformers	5,97,314	6,00,727
Closing Inventories		
Switches	48,91,406	38,87,673
Transformers	5,80,315	5,97,314
Net Sales		
Switches	6,95,58,109	5,28,94,598
Transformers	71,300	31,15,635
Tools, Components & others	1,10,09,373	45,93,463

32 Particulars of Traded goods

Particulars	Year ended 31st March, 2013		Year ended 31st March, 2012	
Opening Inventories				
MCB	20,39,556		28,12,493	
Metal Boxes & others	5,35,927		1,45,189	
Closing Inventories				
MCB	28,42,546		20,39,556	
Metal Boxes & Others	6,44,690		5,35,927	
Sales				
MCB	67,43,403		48,59,528	
Metal Boxes & Others	29,12,793		69,04,813	

33 Related Party Disclosures

Related party disclosures as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India are given below:

i Name of Related Party

Name	Relation
Mr. S M M Azeez	Director
Mr. Mustafa Kamal Basha	Chairman and Managing Director
Mrs. Farah Kamal	Relative of Director
Toyama Controls & Systems P	Associate Company

ii Transactions with Related Parties

Name	Year ended 31st March, 2013	Year ended 31st March, 2012
Remuneration		
Mr. S M M Azeez	15,00,000	15,00,000
Mr. Mustafa Kamal Basha	15,00,000	15,00,000

iii Outstanding Balance

Name	As at 31st March, 2013	As at 31st March, 2012
Mr. S M M Azeez	-	1,24,800
Mr. Mustafa Kamal Basha	-	1,13,392

34 Employee benefits:

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standards are given below:

a. Defined Contribution Plans

Contribution to Defined Contribution plan, recognized as expenses for the year are as follows:

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Employers contribution to Provident Fund	6,59,313	6,86,996
Employers contribution to Employee's State Insurance	3,06,005	2,53,958

b. Defined Benefit Plans:

Gratuity: The liability for gratuity is funded through a scheme administered by Group gratuity policy with Life Insurance corporation of India and provision is made based on report as at Balance Sheet date by Life Insurance Corporation of India.

Particulars	In Rupee	
	31-Mar-13	31-Mar-12
Obligations at year beginning	12,55,230	12,50,686
Service cost	88,858	90,843
Interest cost	1,00,418	1,00,055
Actuarial (gain)/ loss	4,85,009	(91,787)
Benefits paid	(87,940)	(94,567)
Obligations at year end	18,41,575	12,55,230

Defined benefit obligation liability as at the balance sheet date is funded by the Company.

Change in plan assets		
Plan assets at year beginning, at fair value	6,23,599	5,73,012
Expected return on plan assets	59,309	54,309
Actuarial gain	-	-
Contributions	88,765	90,845
Benefits paid	(87,940)	(94,567)
Plan assets at year end, at fair value	6,83,733	6,23,599

Net asset/(liability) recognized in balance sheet as at March 31:		
Fair value of plan assets at the end of the year	6,83,733	6,23,599
Present value of the defined benefit	18,41,575	12,55,230
Net Asset/(Liability) recognized in the balance sheet	(11,57,842)	(6,31,631)

Recognised under:		
Long term provisions	(10,26,197)	(5,42,773)
Short term provisions	(1,31,645)	(88,858)
Total	(11,57,842)	(6,31,631)

Assumptions		
Discount Rate	8.00%	8.00%
Expected Return on plan assets	9.00%	8.50%
Salary escalation	7.00%	7.00%

Net gratuity cost as on March 31, 2013 and on March 31, 2012 comprises of the following components:

Particulars	As at	As at
	31-Mar-13	31-Mar-12
Gratuity cost for the year		
Service cost	88,858	90,843
Interest cost	1,00,418	1,00,055
Expected return on plan assets	(59,309)	(54,309)
Actuarial (gain)/loss	4,85,009	(91,787)
Net gratuity cost	6,14,976	44,802

35 Segment Reporting

The Company operates in only one primary segment of business. Secondary segmental reporting is based on the geographical location of customers. During the year company had entire business within India hence separate segmental reporting is not applicable.

36 Foreign currency exposures

Details of foreign currency exposure as at 31st March, 2013 s given below

Particulars	Amount as on March	Amount as on March 31 st , 2012
a) Not hedged (net)		
USD payable	11,080	11,080
Equivalent Rupees	6,05,411	4,98,700

37 Balances in parties accounts are subject to confirmation and reconciliation.

38 Based on the information available with the Company, there are no overdue amount payable to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not paid any interest to any Micro, Small and Medium Enterprises during the year. This has been relied upon by the auditors.

39 Impairment of Assets - Accounting Standard- 28

The Company has carried out a verification of Assets and found no material Impairment of Assets as on 31-03-2013, therefore no provision is made in respect of Impairment of Assets during the year.

40 Earning per share (EPS)

Particulars	In Rupees	
	31-Mar-13	31-Mar-12
Net Profit / (Loss) as per Statement of Profit and Loss available for equity shareholders	42,15,370	(9,01,550)
	42,15,370	(9,01,550)
II. Weighted average number of equity shares for		
A) For Basic Earnings Per Share of Rs.10 each	29,91,400	29,91,400
B) For Diluted Earnings Per Share of Rs. 10 each	29,91,400	29,91,400
II.Earning per share (Face Value of Rs. 10 Each)		
Basic	1.41	(0.30)
Diluted	1.41	(0.30)

41 Leasing arrangements

Operating Leases

- i The Company has taken various office premises under operating lease. These are generally not non-cancelable and range between 11 months and 3years and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits under certain agreements.
- ii Building is taken on operating lease with options of renewal against increased rent and premature termination of agreement.
- iii Lease payments are recognized in the statement of profit & loss under "Lease Rentals" in note no 25
- iv Future minimum lease payments under non- cancellable operating lease are Nil.
- v There are no contingent rents.

42 Investments in Mutal Funds and Other Equity Shares are stated at cost. No provision for diminution in value is made since these investments are intended to be held for a longer period.

43 No depreciation has been provided on other office buildings as the same has not been used during the year.

44 There were no contingent liabilities. Necessary provisions have been made in the books of accounts for the year 2012-13 in respect of all known liabilities. There were no contingents assets arise from the unplanned or other unexpected events that give rise to possibility of an inflow of economic benefits.

45 Previous year's figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

For K.S.Aiyar & Co
Chartered Accountants
Firm Registration number-100186W

For and on behalf of the Board

Ramamohan R Hegde
Partner

Mustafa Kamal
Chairman & Managing Director

S.M.M.Azeez
Director

Place: Bangalore
Date : 30th May 2013

TOYAMA ELECTRIC LIMITED

Regd Office: 36 (A) KIADB Industrial Estate
Hoskote-562 114 Bangalore District

PROXY FORM

Reg.Folio No.

No.of Shares held.....

*DP Id No.....

*Client Id No.....

I/We.....of.....
in the district of.....being a member/members of the above named Company hereby
appoint.....of.....in the
district of.....or failing him.....
.....of.....in the district
of.....as my/our proxy to vote for me/us and on my behalf at the Twenty Seventh Annual General
Meeting of the Company to be held at the Registered Office of the Company on Wednesday 18th September, 2013 at 11.00
a.m. and at any adjournment thereof.

Signed this.....day of.....2013

Signature

Re.1.00
Revenue
Stamp

- Notes: 1) This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
2) The proxy need not be a member of the Company

TOYAMA ELECTRIC LIMITED

Regd Office: 36 (A) KIADB Industrial Estate,
Hoskote-562 114 Bangalore District

ATTENDANCE SLIP

I certify that I am the registered Shareholder/Proxy for the registered shareholder of the Company.

NAME & ADDRESS OF THE SHAREHOLDERS

Reg. Folio No.

No.of Shares held.....

*DP Id No.....

*Client Id No.....

I hereby record my presence at the Twenty Seventh Annual General Meeting of M/s.Toyama Electric Limited to be held at its
Regd.Office at 11.00 a.m. on Wednesday the 18th September, 2013.

.....
.....

Name of Proxy (if any)

Signature of Shareholder/proxy

*Applicable to investors holding shares in electronic form

Note: Please fill in this attendance slip and hand ot over at the ENTRANCE OF THE VENUE