



ALFA TRANSFORMERS LTD.

CIN-L311020R1982PLC001151

Regd. Office : Plot No. 3337,
Mancheswar Industrial Estate
Bhubaneswar -751010, Odisha, India

Tel. : 91-674-2580484, 3273337
Fax : 91-674-2580495
E-mail : info@alfa.in / Sales@alfa.in
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ISO 9001 : 2008
Certificate Registration No. 99 100 11745

To,

The BSE Limited,
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai-400001.

Dated- 17th Aug 2017

Sub: Submission of 35th Annual Report for the Financial Year 2016-17

**Ref: Reg. 34(1) of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015.**

Security Code: 517546

Dear Sir/Ma'm,

With reference to the above captioned subject, we are herewith enclosing the 35th Annual Report for the Financial Year 2016-17.

This is for your kind perusal and necessary action.

Thanking you,

Yours faithfully,
For Alfa Transformers Ltd.

For Alfa Transformers Ltd

K. Panda

Company Secretary
Krishna Panda
Company Secretary

Annual Report 2017

BOARD OF DIRECTORS	Shri Dillip Kumar Das Shri Gopal Krishan Gupta Shri Deepak Kumar Das Shri Debasis Das Shri Sujita Patnaik Shri S. K. Nanda Shri Amalendu Mohanty Shri N. C. Pal Shri Sambit Mohanty Shri Niranjana Mohanty Shri B. N. R. Patnaik	Chairman & Managing Director Whole-time Director (Operations) Whole-time Director (Finance)&CFO Whole-time Director (Marketing) Non Executive Non Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director
COMMITTEES OF THE BOARD	Audit Committee Stakeholders Grievance and Relationship Committee Nomination and Remuneration Committee	
STATUTORY AUDITORS	M/s . A. K. Sabat & Co Chartered Accountants A/348, Sahid Nagar Bhubaneswar -751007	
INTERNAL AUDITORS :	<u>Bhubaneswar Unit</u> M/s. Goutam Lenka & Co. 101, Bijayaram Villa, Block A Ground Floor, 491, Nageswar Tangi Vivekanand Marg, Bhubaneswar-751002 <u>Vadodara Unit</u> M/s Vivek Sharma & Associates, Chartered Accountants, Zanda Bazar, Padra, Vadodara-391440	
SECRETARIAL AUDITOR :	M/s Saroj Ray & Associates Company Secretaries Plot No.N - 6/215,IRC Village, Bhubaneswar-751015.	
COST AUDITOR :	M/s S.S. Sonthalia & Co, Cost Accountant, Plot No:395/4688 & 172/4689 Padmavati Vihar, Sailashree Vihar , Bhubaneswar-7510021	
COMPANY SECRETARY	Ms. Krishna Panda	
BANKERS	a) State Bank of India, Commercial Branch, IDCOL House (Ground Floor), Unit –II, Ashok Nagar, Bhubaneswar -751001 b) Axis Bank Limited, Satyangar, Bhubaneswar.	
REGISTERED OFFICE	Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar –751010 Unit-II: Plot No.-2, Zone-D, Phase-A, Mancheswar Industrial Estate, Bhubaneswar-751010. Unit-IV: Plot No.1046, 1047 & 1048, GIDC Estate, Waghodia, Vadodara, Gujrat-391760.	
REGISTRAR & SHARE TRANSFER AGENT	M/s MCS Share Transfer Agent Limited, 12/1/5,Manoharpukur Road, Kolkata-700026 Phone : 4072-4051 to 53, Fax: 4072-4054 e-mail:mcssta@rediffmail.com	
LISTING	BSE Limited	
ISIN	INE209C01015	
CIN	L31102OR1982PLC001151	



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35th Annual General Meeting

**On Tuesday, The 12th day of September, 2017 At 12 Noon
At Hotel "The New Marrison", 6 , Janpath, Bhubaneswar - 751 001**

NOTICE

NOTICE is hereby given to the Members of ALFA TRANSFORMERS LIMITED that the 35th Annual General Meeting of the Members of the Company will be held at The New Marriion, Bhubaneswar on Tuesday, The 12th day of September, 2017 at 12.00 Noon, to transact the following business.

ORDINARY BUSINESS :

1. a) To receive and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon.
- b) To receive and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2017, the reports of the Auditors thereon.
2. To re-appoint a Director in place of Shri Debasis Das (DIN: 00402790), who retires by rotation and being eligible offers himself for re-appointment
3. To appoint Statutory Auditors of the company and to fix their remuneration & in that connection to consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014(including any statutory modification (s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and Board of Directors , M/S PAMS & Associates, Chartered Accountants, Bhubaneswar having Registration No. 321012E be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this 35th Annual General Meeting till conclusion of the 36th Annual General Meeting of the company at a remuneration as may be decided by the Board of Directors in consultation with them.”

SPECIAL BUSINESS:

4. To re-appoint Shri Dillip Kumar Das (DIN: 00402931), who attains 70 years on 26/01/2018 and upon attaining the age offers himself to be appointed as Chairman cum Managing Director of the company.
“RESOLVED THAT pursuant to section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the shareholders of the Company be and is hereby granted for continuation of holding of office of Executive Chairman cum Managing Director by Shri Dillip Kumar Das (DIN 00402790) who will attain the age of 70 (Seventy) years as on January 26, 2018 upto the expiry of his present term of office i:e 6th august 2018, on the existing terms and conditions as duly approved by the shareholders through an ordinary resolution passed at the Annual General Meeting held on August 13, 2015.”
“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”
5. To appoint Shri Gopal Krishan Gupta (DIN: 06626534) as Whole time director of the company who will be liable to retire by rotation and to fix his remuneration.
RESOLVED THAT pursuant to Sections 196,197,203 and other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,read with Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, at the respective meetings, consent of the shareholders be and is hereby accorded for the appointment of Shri Gopal Krishan Gupta as Whole Time Director of the Company liable to

retire by rotation w.e.f 11th Nov 2016 for two years till 10th Nov 2018 , on remuneration and on such terms and conditions as set out below with liberty and authority to the Board of Directors to alter and vary the terms and conditions of the said appointment from time to time within the scope of Schedule V of the Companies Act, 2013, or any amendments thereto or any re-enactment thereof.

A) ANNUAL SALARY & PERQUISITES

(in Lakhs)

Name	Salary	Perquisites & Allowances
SRI GOPAL KRISHAN GUPTA, Director (Operation)	13.80	1.20

The perquisites and allowances, as aforesaid, shall include medical reimbursement and/or premium for medical insurance accommodation (furnished or otherwise) or house rent allowance in lieu thereof: house maintenance allowance together with reimbursement of expenses and / or allowances for utilization of gas, electricity, water, furnishing and repairs and leave travel concession for self and family including dependents. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules there under or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

The Company's contribution of 12% & 15% of salary respectively towards provident fund, superannuation or annuity fund, (to the extent these singly or together are not taxable under the Income Tax law,) gratuity payable and encashment of leave, as per the rules of the Company , shall not be included for the purpose of computation of the overall ceiling of remuneration.

B) COMMISSION/PERFORMANCE BONOUS:

Performance Bonus/Commission @3% of Net Profit.

C) REIMBURSEMENT OF EXPENSES:

Expenses incurred for traveling, board and lodging during business trips, and provision of cars with Driver for use on the Company's business and telephone & mobile phone expenses at residence & office shall be reimbursed at actual and not considered as perquisites.

D) MINIMUM REMUNARATION

In the event of loss or inadequacy of profits in any financial year during the current tenure of service of the Whole Time Director, the payment of salary, commission & perquisites shall be governed by the limits prescribed under Section-II of Part-II of Schedule V of the Companies Act, 2013 as may be applicable for the time being in force.

E) GENERAL

- 1) The Whole Time Director will perform respective duties as such with regard to all work of the Company and they will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and the functions of the Executive Director will be under the overall authority of the Board Of Directors.
- 2) The Whole Time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- 3) The Whole Time Director shall adhere to the Company's code of Business Conduct & Ethics for Directors and Management personnel.

5. Scope of director (Operation)

The director of operations, known as chief operations officer (COO), will



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oversee the day-to-day activities of various departments like manufacturing, purchasing, and sales and target specific areas requiring improvement in operational efficiency so that the company runs smoothly. He may often set parameters to judge how efficiently and effectively the organization operates. This may include monitoring revenue margins, worker productivity, personnel evaluations, recruitment, and advancement as well as implementing new directives for growth. He will be assigned Specific duties by Board of Directors which might include managing supervisory staff, planning budgets, reviewing expenses, cutting costs, monitoring inventory, and looking for new ways to increase profitability. Director (Operations) also must act on behalf of the company in adherence to legal framework and best corporate governance practice. In addition, he might work with unions to negotiate terms or handle grievances. While discharging his duties, he will frequently go on-site to supervise and evaluate and in this capacity may field questions and concerns from staff, address problems and shortcomings, and provide insight to streamline business. The Director (Operations) will handle all the responsibilities from applying of tender, manufacturing, testing, repairs, maintenance to marketing and sales of transformers. He will also discharge additional duties as and when required by the Board of Directors from time to time.

6. To Appoint Shri Amalendu Mohanty (DIN 07653644) as Independent Director of the company.

“RESOLVED THAT pursuant to the provisions of sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 under Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Shri Amalendu Mohanty (DIN 07653644), a non- executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director , not liable to retire by rotation, to hold the office of the Independent Director for a period of two years from 11th Nov 2016 to 10th Nov 2018.”

7. To ratify the remuneration of the Cost Auditor for the financial year 2017-18 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 (“the Act”) the Cost Auditors M/ s. S. S. Sonthalia & Co., Cost Accountants, Bhubaneswar, who has been appointed as the Cost Auditor by the Board of Directors of the company, to conduct the audit of the cost records of the company for the financial year 2017-18 be and is hereby ratified to be paid the remuneration of Rs 35,000/- plus applicable taxes/levies .”

NOTES FOR MEMBER'S ATTENTION :

1. AN EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 RELATING TO THE SPECIAL BUSINESSES UNDER ITEM NO.4 TO 7 OF THE NOTICE AS SET OUT ABOVE, ARE ANNEXED HERETO.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN

ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.

3. A member desirous of getting any information on the accounts or operations of the company is required to forward his/her queries to the company at least seven days prior to the meeting so that the required information can be made available at the meeting.
4. Members/Proxies are requested to bring their copies of Annual Report to the meeting and the attendance slip duly filled in for attending the meeting.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder, who is higher in order of names, will be entitled to vote.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 6th September, 2017 to Tuesday, the 12th September, 2017 (both days inclusive) in terms of provisions of section 91 of the Companies Act, 2013.
8. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send the certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
9. As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relevant details of persons seeking appointment/ reappointment as Directors are furnished in the Corporate Governance Report.
10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s) and accordingly, copies of 50th Annual Report are being sent by electronic mode only, to all the members whose email addresses are registered with the Company/Depository Participant(s), unless any member has requested for a hard copy of the same. For members, who have not registered their email addresses physical copies of the Annual Report 2017 will be sent by the permitted mode. Investors are requested to register their e-mail addresses with MCS Share Transfer Agent Ltd. if shares are held in physical mode OR with their Depository Participant (s), if the shares are held in electronic mode.
11. In terms of the provisions of Section 124 of the Companies Act, 2013, the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Government. Accordingly, the unclaimed dividend in respect of financial year 2009-10 is due for transfer to the IEPF by October, 2017. In terms of provisions of Section 124 of the Companies Act, 2013, no claim shall lie against the Company for the said Fund after the said transfer. Pursuant to

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section 124(6) of the Companies Act, 2013, as amended, and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (the IEPF Rules, 2016) all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more will become due for transfer to the IEPF DEMAT account.

12. All the physical shareholders of the Company are requested to dematerialize their shares.
13. Non-Resident Indian Shareholders are requested to inform Share Transfer Agent immediately :
 - i. The change in the residential status on return to India for Permanent Settlement.
 - ii. The particulars of NRE Account with Bank in India, if not furnished earlier.
14. (a) Members are requested to notify immediately any change of address:
 - (i) to their Depository participants(DPs) in respect of their electronic share accounts; and
 - (ii) to the Company/Share Transfer Agent in respect of their physical share folio, if any.
 (b) In case the mailing address on this Annual Report is without the PINCODE, Members are requested to kindly inform their PINCODE immediately.
15. Members are requested to send all communications relating to shares to the company's Share Transfer Agent. (Physical and Electronic) to M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700026.e- mail: mcssta@rediffmail.com
16. The names and address of the stock exchanges where-at the company's Share are listed, are given below:
 - a) BSE Limited,
Phiroze JeeJeebhoi Tower, Dalal Street, Mumbai-400001
17. In compliance with the provisions of section 108 of the Companies Act 2013 and the rules framed there under and as per SEBI (Listing Obligations and Disclosures Requirements) Regulations , 2015, the members are provided with the facility to cast their vote electronically, though the e-voting services provided by CDSL, on the resolutions set forth in this Notice.

The instructions for shareholders voting electronically are as under :

- (i) The voting period begins on Saturday,9th September,2017 at 10 am and ends on Monday the 11th September, 2017 at 5 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 5th September 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth DOB	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant ALFA TRANSFORMERS Ltd EVSN Reference No: 170803008 on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded



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from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions :

- The e-voting period commence on Saturday, 9th September, 2017 (10.00 a. m.) and end on Monday, 11th September, 2017 (5.00 p.m.). During this period, member of the company holding share either in physical form or in dematerialize form as on 5th September 2017 may cast their vote electronically. The e-voting module shall be disabling by CDSL for voting Thereafter. Once the vote on resolution is cast by the member, he shall not be allowed to change it subsequently.
- The voting rights of members shall be incorporation to their shares of the paid-up equity share capital of the company as on 5th September 2017.
- Mr. Saroj Kumar Ray, Practicing Company Secretary (Membership No : FCS 5098, CP No-3770), Partner of M/s. Saroj Ray & Associates, Company Secretaries, Bhubaneswar has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- The scrutinizer, shall, within a period not exceeding forty eight hours from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make scrutinizer's report of the vote cast in favor or against, if any, forthwith to the chairman of the company.
- The results declared along with the scrutinizers report shall be placed on the company website www.alfa.in and with the website of CDSL within two days of passing of resolutions at the 35th AGM of the company on 14th September 2017 and communicated to the BSE Limited where the share of the company are listed.

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

ITEM NO 2 : To re-appoint a Director in place of Shri Debasis Das (DIN: 00402790), who retires by rotation and being eligible offers himself for re-appointment

"**RESOLVED THAT** pursuant to Sec 152 of Companies Act 2013 and other such provisions as applicable, the proposal of reappointment of Shri Debasis Das who is liable to retire by rotation in this ensuing Annual General Meeting and being eligible offered himself for reappointment, be and is hereby approved."

ITEM NO 4 : To re-appoint Shri Dillip Kumar Das (DIN: 00402931), who attains 70 years on 26/01/2018 and upon attaining the age offers himself to be appointed as Managing Director cum Chairman of the company.

Shri Dillip Kumar Das being the pioneer of the company has proved to be an asset of Alfa Transformers Ltd. for a prolonged period. In his mentorship and guidance the company has reached heights and his industrious demeanor, consistency and efforts have helped the company to survive the uncertainties of market and clinch a position in the power sector. The Board hereby shows its pleasure to offer Shri Dillip Kumar Das to continue as Chairman cum Managing Director of the company post his attainment of age 70 years.

ITEM NO 5 : To appoint Shri Gopal Krishan Gupta (DIN: 06626534) as Whole Time Director of the company who will be liable to retire by rotation and to fix his remuneration.

Shri Gopal Krishan Gupta is a well known personality in the power sector and under his leadership many reputed companies have earned remarkable performance. He was appointed as the Additional Director in the Board Meeting held on 11th November 2016 and in the same meeting his designation was changed to Executive Director (Operations). He was a part of management committee of ALSTOM at country level and responsible for business for more than 200 MUSD as P & L. He was also the CEO/Director of TBEA Energy India Pvt. Ltd. The Board of directors believes that the company's association with Shri Gopal Krishna Gupta will fetch a milestone in near future. In this regard, the Board offers Shri Gopal Krishan Gupta to be appointed as Whole Time Director of the company w.e.f 11th Nov 2016 till two years that is till 10th Nov, 2018.

ITEM NO. 6 : To Appoint Shri Amalendu Mohanty (DIN 07653644) as Independent Director of the company

The Board of Directors offer Shri Amalendu Mohanty being a renowned face in power sector having wide exposure in designing best transformers of India as Independent Director of the company w.e.f 11th November 2016. He has wide experience ranging from power transformer design and commissioning up to 400 kV class. He was in the team for establishing 220 KV transformers and the first proto type 400 KV 315 MVA auto transformers in the company. He is also a Member of BIS, IEEMA & CIGRE.

ITEM NO. 7: As per provisions of Section 148 and all other applicable provisions of the Companies Act 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 ("the Act") the Cost Auditors M/s. S. S. Sonthalia & Co., Cost Accountants, Bhubaneswar has been retained for the FY 2017-18 and the remuneration is fixed at Rs 35,000.

None of the Directors, Key Managerial Personnel or their relatives, are, in any way, concerned or interested, financially or otherwise, in this resolution.

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT/ REAPPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015)

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Name	D.O.B	Field of experience	Years of experience	Designation	Date of Appointment
Dillip Das	26/01/1948	He is Graduate in Electrical Engineering from University College of Engineering, Burla, Sambalpur. He is a member of IEEE, USA; Institute of Standard Engineers and Fellow of Institute of Engineers India and also life member of Indian Council of Management Executives, Mumbai. He graduated in 1969 and worked under Government of Orissa as Assistant Engineer till August, 1973 & then resigned to start his proprietorship business for manufacture and repair of distribution Transformers. He is the promoter & managing Director of your company since 1982. He has rich experience over manufacturing and repairing of transformers. He is responsible for overall technical & commercial activities including designing, production planning, marketing, import & export etc.	45	Chairman cum Whole time Director	Reappointment after attaining 70 years on 26/01/2018
Gopal Krishan Gupta	05/07/1957	He is a graduate from University of Roorkee and has wide experience in power sector in all fields such as strategy, techno commercials assessments, marketing, manufacturing, EPC and company turn around. He was a part of management committee of ALSTOM at country level and part and responsible for business for more than 200 MUSD as P & L. He was also the CEO/Director of TBEA Energu India Pvt. Ltd.	38	Whole time Director	11/11/2016
Amalendu Mohanty	23/09/1955	He was a Technical Adviser at TBEA Energy India. Has wide experience ranging from power transformer design and commissioning up to 400 kV class. Was in the team for establishing 220 kV transformers and the first proto type 400 kV 315 MVA auto transformer in the company. Member of BIS, IEEMA & CIGRE. Working in various organization namely BHEL, Emco Transformers Ltd, Alstom T&D, TBEA Energy India	35	Independent Director	11/11/2016
Debasis Das	30/04/1973	He is a graduate from Utkal University and also hold the professional qualification of M.B.A. from X.I.M.B. He is a young, dynamic, energetic and positive esteemed person. He has been associated with the Company since 1997. He is a Director of Phoenix Surgicare Private Limited, (A 100% Subsidiary Company of Alfa Transformers Limited). He is also member of Share Transfer and Investor Grievance Committee of your Company.	25	Whole time Director	Reappointment after retirement on rotation w.e.f 12/08/2017

Your Directors recommend the appointment and reappointment of above dignitaries in the Company.
None of the directors and the Key Managerial Personnel and their relatives are interested in this resolution.

PLACE : BHUBANESWAR

Date: 5th July, 2017

**BY ORDER OF THE BOARD
FOR ALFA TRANSFORMERS LIMITED**

Sd/-
COMPANY SECRETARY

(ANNEXURE TO THE NOTICE FOR THE ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON TUESDAY, 12th SEPTEMBER, 2017 AT 12 NOON, AT HOTEL NEW MARRION, BAPUJI NAGAR, BHUBANESWAR-751001)

Dear Shareholder,

Subject : Process and manner for availing E-voting facility:

Pursuant to Provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities & Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Company is pleased to provide E-voting facility to the members to cast their votes electronically on the resolution proposed to be considered at the 35th Annual General Meeting to be held on 12TH September, 2017 at 12 Noon at: Marrion Hotel, Bapuji Nagar, Bhubaneswar-751001

The Ministry of Corporate Affairs ("MCA") started "Green Initiative in Corporate Governance", which provides for paperless compliances by companies through electronic mode. In the spirit of this initiative the Notice is being sent through e-mail to the members who have registered their e-mail-IDs. This facility is being provided through CDSL e-voting platform. Please read the instructions given in the Notice for voting through the e-voting platform.

Please click on the following link to view Notice along with Attendance Slip cum Proxy Form for Annual General Meeting of the Company scheduled to be held on 12th September, 2017.

Notice of Extra Ordinary General Meeting-Alfa Transformers Limited

www.alfa.in

The Electronic Voting Particulars are set out on the address slip pasted on the envelope.

The E-voting facility will be available during the following voting period:

Remote e-Voting Start On	Remote e-Voting End On
Saturday, 9th September, 2017 at 10 am	Monday, 11th September, 2017 at 5pm. (IST)

Members, who have been sent this Notice and annexes electronically and do not wish to avail e-voting facility organized through Central Depository Services (India) Ltd., may send a request to the Company (Alfa Transformers Ltd) at cs@alfa.in for obtaining the physical copies of 'AGM, Notice and annexes'.

In case of any queries or issues regarding e-voting, manual is available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact CDSL e-voting helpdesk at 18002005533.

Looking forward to your participating in the process.

By Order of the Board
Sd/-

Date : 05.07.2017

Place : Bhubaneswar

Encl : AGM Notice/Attendance Slip/Proxy Form

Company Secretary

**DIRECTORS' REPORT****Dear Members,**

Your Directors have pleasure in presenting the Thirty-fifth Annual Report on the business and operations together with the Audited Accounts for the financial year ending 31st March'2017. The performance of the Company for the year ended on 31st March 2017 is summarized below:

FINANCIAL HIGHLIGHTS:

The summarized financial results of our operations for the Financial Year ending 31st March'2016 is detailed hereunder.

(Rs.in lakhs)

Sl.No	Particulars	2016-17	2015-16
1	Net Sales/Income from operations	2565.30	2693.08
2	Other Income	27.20	22.55
3	Total Income (1+2)	2562.50	2715.63
4	Profit/(Loss) before Interest, Depreciation and Tax	33.80	244.61
5	Less : Interest and Finance Charges	196.70	165.21
6	Less : Depreciation	140.95	135.29
7	Profit/ (Loss) before Exceptional Items (4-5-6)	(303.85)	(55.89)
8	Add : Exceptional Items	--	--
9	Profit/(Loss) before Tax (7+8)	(303.85)	(55.89)
10	Less : Income Tax	(0.19)	1.53
11	Net Profit/ (Loss) after Tax (9-10)	(304.04)	(54.36)
12	Add : Balance Carried forwards from Statement of Profit and Loss A/C	(640.45)	(586.09)
13	Balance Carried to Balance Sheet (11+12)	(944.49)	(640.45)
14	Earning per Share (Basic & Diluted)	(4.82)	(1.01)

Note: Previous year's figures are regrouped wherever necessary.

FINANCIAL PERFORMANCE:

In the competitive market, the Company was able to achieve Sales and Other income to Rs. 25.65 Crores in the present year as compared to Rs. 26.93 Crores in the previous year. The delay in sales was mainly due to mandatory BIS requirement w.e.f 1st January 2017 and mandatory star rating system of Bureau of Energy Efficiency which affected sales and order in last quarter of the year. With sustained efforts, company has been able to overcome this situation and in the first quarter of FY 2017-18, it has booked highest ever order Rs. 45 Crores raising order in hand to Rs 60.30 Crores. With this we see strong improvement in FY 2017-18.

With its strong market presence and performance, the company is in position to attract investment for various private equity investors. During the financial year 2016-17 the Company has gone for preferential issue of 945588 equity shares and 649412 convertible warrants which resulted in inflow of funds amounting to Rs 3. 90 Crores

The company has conducted the fair revaluation exercise of its assets which stands at Rs. 47.07 Crores, an increase of Rs. 21.71 Crores in previous financial year.

I feel privileged to inform that the Board of Directors in the Board Meeting held on 11th November 2016 has inducted two eminent personalities of power sector into its Board namely Shri Gopal Krishan Gupta and Shri Amalendu Mohanty whose credential have been described in introduction to Board of Directors.

FUTURE PROSPECTS:

As stated above, with good order in hand situation, the company believes to achieve a much higher sales turnover in 2017-18.

To achieve the above, Company has taken various step such as increase in capacity utilization, rationalization of machines between it Bhubaneswar and Vadodara plants, remodelling and layout changes in the plant, addition of experienced manpower, strengthening of supply chain management with a view for just in time delivery and cost reduction. Company has also embarked improvement in IT system for smooth adoption of GST. To support the higher turnover, company is approaching banks and other financial institution for higher working capital facilities.

Company is striving to add product qualification as per new BEE system in big way so as to increase order catchment area and is trying to win vendor approval for these rating from other customers.

As all of you know, that company was large exporter of transformers to Middle East and African countries which got affected due to political issues. Company is now again trying to revive this segment of market and soon expect good results.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

The unclaimed dividend amount aggregating to Rs. 184122 for the financial year ended on 2008-09 was transferred to the Investor Education and Protection Fund established by the Central Government, during the financial year ended March 31, 2017, pursuant to Section 124 of the Companies Act, 2013.

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DISCLOSURE OF PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUTGO :

The disclosure of particulars relating to conservation of energy and technology absorption and foreign exchange earnings and outgo as required by Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is given in **Annexure "A"**.

PERSONNEL :

None of the employees of the Company has been in receipt of remuneration exceeding the amounts envisaged by section 134(3) (m) of the Companies Act, 2013.

SUBSIDIARY COMPANY:

Phoenix Surgicare Private Limited is the only wholly owned Subsidiary Company of your Company. The business operations in the subsidiary Company has not started.

Audited Statements of accounts of the Company's Subsidiary:

The audited statements of accounts, along with the report of the Board of Directors relating to the Company's Subsidiary i.e. Phoenix Surgicare Private Limited, together with the Auditors' Report thereon for the year ended 31st March, 2017 are annexed.

DEPOSITS:

The Company has not accepted any public deposits so far.

DIVIDEND:

Your Directors has not recommended any Dividend during this financial year.

CORPORATE GOVERNANCE:

Corporate Governance is the system by which Companies are directed and controlled. It also includes Board's accountability to the Company and stakeholders, strategic vision and effective monitoring by the Board, protection and equitable treatment of all stakeholders as well as timely disclosure. Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target.

Corporate governance at Alfa Transformers Limited (ATL)'s a value-based framework to manage our Company affairs in a fair and transparent manner. We have evolved guidelines and best practices over the years to ensure timely and accurate disclosure of information regarding our financials, performance, leadership and governance of the Company. We are an ethically responsible company, operate with transparency, and validate commitment and sincerity, both vertically and horizontally across the organization with a spirit of integrity.

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance is given in "**Annexure B**" along with certificate from M/s. AK Sabat & Co., Chartered Accountants confirming compliance with the requirement of Corporate Governance.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

Management's Discussion and Analysis for the year under review is presented in a separate section as '**Annexure C**' forming part of the Annual Report.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) In the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards, had been followed along with proper explanation relating to material departures;
- ii) The directors had 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 state of affairs of company at end of Financial Year of Profit and Loss of company for that period.
- iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of company and for preventing and detecting fraud and other irregularities.
- iv) The directors had prepared the annual accounts on a going concern basis; and
- v) The directors had laid down internal financial controls to be followed by company and that such internal financial controls are adequate and were operating effectively.

Explanation: For purpose of this clause, the term "internal financial controls" means policies and procedures adopted by company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, timely preparation of reliable financial information;

- vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were inadequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL :

Pursuant to Sec 196(3) of Companies Act 2013, Shri Dillip Das will be attaining the age of 70 years on Jan 26, 2018 and being eligible offers himself for reappointment as Chairman cum Managing Director of the company. He is recommended by Board of Directors to reappoint him as Chairman cum Managing Director.

Pursuant to Sec 196,197,203 and other applicable provisions of Companies Act, 2013 Shri Gopal Krishan Gupta is recommended by the Board to be appointed as Whole Time Director w.e.f 11/11/2016.

Pursuant to Sec 149 (4) of Companies Act 2013, Shri Amalendu Mohanty is recommended by the Board to be appointed as Independent Director w.e.f 11/11/2016.



ALFA TRANSFORMERS LIMITED

Pursuant to provisions of section 152 and all other applicable provisions of Companies Act 2013 and the Companies (Appointment and Remuneration) Rules 2014, Shri Debasis Das is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Your Directors recommend his reappointment.

STATUTORY AUDITORS:

M/s A.K. Sabat & Co, Chartered Accountants, Bhubaneswar retires at this 35th Annual General Meeting and M/S PAMS & Associates has given their consent for re-appointment along with the eligibility certificate as per Section 141(3) (g) of the Companies Act, 2013. The Board of Directors of the Company at their meeting held on 29th May, 2017, on the recommendations of Audit Committee and subject to approval of shareholders at the ensuing Annual General Meeting, recommend the appointment of M/S PAMS & Associates, Chartered Accountants as statutory auditors of the Company. Your Directors request your approval to appoint them as statutory auditors of the Company to hold office from Conclusion of this Annual General Meeting to the next Annual General Meeting .

COST AUDITOR:

Pursuant to provisions of section 148 of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s S.S. Sonthalia & Co., Cost Accountants as the Cost Auditors and remuneration payable to them, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018. The Company has received a letter from M/s S.S. Sonthalia & Co, Cost Accountant, Bhubaneswar showing their willingness to be appointed as Cost Auditors stating that they are not disqualified under section 148(5) read with section 141(3) of the Companies Act, 2013.

SECRETARIAL AUDITOR :

The Board of Directors of the Company has appointed M/s Saroj Ray & Associates, Practicing Company Secretaries, Bhubaneswar, to conduct the Secretarial Audit, pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and their report, viz. Secretarial Audit Report in Form MR-3 is appended to this Report as “Annexure D”.

INTERNAL AUDITOR:

Your Company has appointed M/S Vivek Sharma & Associates for Vadodara Unit and M/s Goutam Lenka & Co. for Bhubaneswar Unit as the Internal Auditor of the company for the financial year 2017-18.

INDEPENDENT DIRECTORS:

The Independent Directors hold office for a fixed term of three years and they are not liable to retire by rotation.

In accordance with Section 149(7) of the Act, each Independent Director has given written declaration to the Company confirming that they met

the criteria of Independence as mentioned under Section 149(6) of the Act and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

COMMENTS ON STATUTORY AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT:

Neither the statutory auditors nor the secretarial auditors of the company, in their respective reports, have made any qualifications, reservations or adverse remarks. The company continues to adopt practices to ensure best practice as per Indian Accounting Standards and Corporate Governance standards.

DISCLOSURE AS PER LISTING AGREEMENT :

Cash Flow:

The cash flow statement in accordance with applicable accounting standard is appended to this Annual Report.

Related Party Transactions:

As a matter of policy, your company carries transactions with related parties on an arm-length basis. Statement of these transactions is given in the Notes to financial statements.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments, affecting the financial position of the company which has been occurred between the end of the financial year of the Company to which the financial statements relate and date of the report.

RISK MANAGEMENT POLICY AND INTERNAL FINANCÉ CONTROL ADEQUACY:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks in achieving key objectives of the Company. The Company has developed and implemented Risk Management Policy of the Company to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The Internal Control Systems commensurate with the nature, size and complexity of the business of the company. These are routinely tested and certified by Statutory Auditor as well as Internal Auditors.

EXTRACT OF ANNUAL RETURN:

The extract of Annual Return in Form No. MGT 9 as on 31.03.2017 appended to this Report as “Annexure E”.

ANNUAL EVALUATION BY THE BOARD:

The evaluation framework for assessing the performance of Board including the individual Directors are based on certain key measures, viz. Attendance of Board Meetings and the Committee Meetings, qualitative contribution in deliberations on agenda items , long term

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view in the inputs regarding development and sustainability of the Company and consideration of shareholders and other stakeholders' interests.

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board Of Directors. A member of the Board does not participate in the discussion of his/her evaluation. The Board of Directors has expressed their satisfaction to the evaluation process.

WHISTLE BLOWER POLICY:

The Whistle Blower Policy (Vigil Mechanism) was constituted by the Board of Directors, pursuant to Section 177 of the Companies Act 2013 and the Rules made thereunder and SEBI (LODR) 2015 to report genuine concerns of directors and Employees. The Policy has been posted on the website of the company(http://www.alfa.in/vigil_mechanism.htm).

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, no complaints were reported to the Board.

Listing:

The Company's shares are listed on the 'BSE Ltd.'. The Annual listing fees to the 'BSE Ltd.' for the year 2017-18 has been paid.

Voluntary Delisting from Bhubaneswar and Calcutta Stock Exchanges:- The company had initially submitted all documents as per rule to Bhubaneswar & Calcutta stock Exchange for delisting of shares. Permission is still awaited

TRANSFER TO GENERAL RESERVE:

During the financial year ending on 31st March, 2017, Rs 4.36 lakhs has been transferred to General Reserve.

ACHEIVEMENTS:

1) QUALITY SYSTEM :

The company was accredited ISO 9001-2008 for quality management system with respect to "Design, Manufacture, Repair and sale of Power Transformers & Distribution Transformers" from 1997 with continuity. The present registration is accredited by TUV SUD South Asia Private Limited from 26/05/2016 which is valid upto 14/09/2018.

2) The Company has got BIS certificate for various rating of Distribution transformers for Bhubaneswar and Vadodara Unit. The company is

also investing heavily in prototype and type testing of other ratings of transformers for inclusion in BIS.

INDUSTRIAL RELATIONS :

The industrial relations continued to be generally peaceful & cordial.

ACKNOWLEDGEMENTS:

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders' clients, Bank, Central & State government, the company's valued investors and all other business partner for their continued co-operation and excellent support received during the year.

FOR AND ON BEHALF OF THE BOARD

Sd/-

PLACE : BHUBANESWAR

DILLIP KUMAR DAS

DATE : 29th May, 2017

CHAIRMAN

ANNEXURE "A" TO THE DIRECTORS' REPORT

TECHNOLOGY ABSORPTION, ENERGY CONSERVATION, AND FOREIGN EXCHANGE EARNING AND OUTGO

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Companies (Disclosure of particulars in the Report of directors) Rules, 1988 and forming part of the Report of the Board of Directors for the period ended 31st March, 2017:

A. CONSERVATION OF ENERGY :

Energy conservation continues to be accorded high priority by your Company. The Company has already taken up steps for implementing Energy Conservation measures by replacing of all conventional machineries, creating awareness among employees, regulated usage of plant, machinery and other equipments and use of energy saving equipments.

Rooftop solar generation to 35KV is being installed.

B. TECHNOLOGY ABSORPTION:

Your Company successfully absorbed the transfer of Technology from Hitachi Metals (India) Limited for its Metaglas Amorphous Project.

C. FOREIGN EXCHANGE EARNINGS & OUTGO :

The Foreign Exchange Earnings & Outgo is NIL during the year.

FOR AND ON BEHALF OF THE BOARD

Sd/-

PLACE : BHUBANESWAR

DILLIP KUMAR DAS

DATE : 29th May, 2017

CHAIRMAN



ANNEXURE “B” TO THE DIRECTORS’ REPORT CORPORATE GOVERNANCE REPORT :

1) COMPANY’S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance ensures best management practices, compliance of laws, rules, and regulations in the Company and also provides appropriate framework for the Board and its Committees, to achieve objectives of the Company for the benefit of the Company and its stakeholders. Our Company is committed to good Corporate Governance Requirement of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, Code of Conduct on Prevention of Insider Trading and also Code of Conduct for Directors and Senior Management Personnel are fully complied by our company.

ALFA TRANSFORMERS LIMITED commitment for effective Corporate Governance continues and the company has always been at their benchmarking efforts to follow the internal systems and policies within accepted standards for the creation of golden & trustable value towards the shareholders.

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

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

2) BOARD OF DIRECTORS:

A fundamental requirement of Board membership is independence, knowledge and experience based upon the absence of relationships and interest that could compromise, or could be perceived as compromising the ability of a Director to exercise judgment in the best interests of the Company.

2.1) Composition:

The Board has an optimum combination of Executive and non-Executive Directors and is in conformity with corporate governance as per SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 entered into with the stock exchange, in which the Company’s Shares are listed. The composition of the Board as on 31st March, 2017 consists of eleven Directors, among which four are Executive Directors and Six are Non-Executive Independent Directors and one is Non Executive Woman Director. The Board is classified broadly as follows:

Sl. No	Name of the Director	Status	Category	Shareholding in the Company
1.	Shri Dillip Kumar Das	Chairman & Managing Director	Promoter and Executive Director	1062806
2.	Shri Gopal Krishan Gupta	Director	Non- Promoter and Executive Director	630588
3.	Shri Deepak Kumar Das	Director & Chief Financial Officer	Promoter and Executive Director	57000
4.	Shri Debasis Das	Director	Promoter and Executive Director	121683
5.	Shri Amalendu Mohanty	Director	Non- Promoter and Non-Executive Director	-
6.	Smt. Sujita Patnaik	(Woman) Director	Non- Promoter and Non- Executive Director	-
7.	Shri Santosh Kumar Nanda	Director	Non- Promoter and Non-Executive Director	-
8.	Shri Sambit Mohanty	Director	Non- Promoter and Non-Executive Director	-
9.	Shri Nitai Chandra Pal	Director	Non- Promoter and Non-Executive Director	-
10.	Shri Niranjana Mohanty	Director	Non- Promoter and Non-Executive Director	-
11.	Shri Basuru Nageswar Rao Patnaik	Director	Non- Promoter and Non-Executive Director	-

Board’s Definition of Independent Director:

Independent Director shall mean non-Executive Director of the Company who:

1. a) Who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b) 1. Who is or was not a promoter of the company,
2. Who is not related to promoters or directors in the company
- c) Who has or had no pecuniary relationship with the company
- d) None of whose relative has or had pecuniary relationship or transaction with the company.
- e) Who, neither himself nor any of his relative---
 - i. Holds or has held the position of a key managerial personnel
 - ii. Is or has been an employee or proprietor or a partner, in any of the three financial years preceding.
 - iii. Holds together with his relative two per cent or more of the total voting power of the company; or
 - iv. Is a Chief Executive or director, of any nonprofit organization, or who possesses such other qualifications as may be prescribed.

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2.2) Code of Conduct:

The Company has adopted the Alfa Code of Conduct for all Directors, Senior Management and employees of the Company. This Code is derived from three interlinked fundamental principles, viz good corporate governance, good corporate citizenship and exemplary personal conduct. Further, all the Board members and senior management personnel (as per Regulation 17(5)(a) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015) have affirmed compliance with the respective Code of Conduct. A declaration to this effect signed by the Managing Director forms part of this report.

2.3) Board Meetings & Procedures:

The Board meets in executive session at least four times in a year at quarterly intervals and more frequently if deemed necessary, to transact its business. The Company Secretary, in consultation with the Chairman and Managing Director, prepares the agenda for the meeting. Information and data that are important to the Board's understanding of the business in general and relating to matters tabled for discussion. The Agenda and relevant enclosures are distributed to the members of the Board sufficiently in advance of the meeting. Sensitive material, however, is presented for discussion at the meeting only. The meetings of the Board of Directors are generally held at Company's registered office at Bhubaneswar, and are generally scheduled well in advance. The Company Secretary records the minutes of the proceedings of each Board Meeting and Committee Meeting. Draft minutes are circulated to all the members of the Board/Board Committee for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting. The important decision taken in the Board/Committee Meetings are communicated to the concerned departments/persons for taking necessary actions and a action taken report is placed in the next meeting of the Board/Committee for noting the same.

Numbers & Dates of Board Meetings held during the year:

- (i) During 2016-17, the Board of Directors met 7 times on the following dates:
the Minutes Book within 30 days from the conclusion of the meeting. The important decision taken in the Board/Committee Meetings are communicated to the concerned departments/persons for taking necessary actions and a action taken report is placed in the next meeting of the Board/Committee for noting the same.

Sl.No	Date of Board Meeting	Total Members	Attendance by number of members
1.	16.04.2016	09	07
2.	03.05.2016	06	06
3.	27.05.2016	06	06
4.	12.08.2016	09	09
5.	17.10.2016	09	07
6.	11.11.2016	09	07
7.	10.02.2017	11	09

- (ii) The details of attendance of each Director at the Board Meetings, last Annual General Meeting are as follows:

Name of the Director	Attendance Particulars			Total no of Directorship in Companies As on 31.03.2017
	No of Board Meetings held	No of Board Meetings attended	Last AGM	
Shri Dillip Kumar Das	7	7	Present	4
Shri Gopal Krishan Gupta (Appointed on 11.11.2016)	1	1	N.A.	1
Shri Deepak Kumar Das	7	7	Present	3
Shri Debasis Das	7	6	Present	1
Shri Amalendu Mohanty (Appointed on 11.11.2016)	1	1	N.A	–
Shri Santosh Kumar Nanda	7	6	Present	–
Dr. Nitai Chandra Pal	7	1	Absent	–
Shri Sambit Mohanty	7	5	Present	–
Shri Niranjana Mohanty	7	4	Present	4
Smt. Sujita Patnaik	7	6	Present	1
Shri Basuru Nageswar Rao Patnaik	7	7	Present	1

The Board of Directors was reconstituted in the 204th Meeting of the Board of Directors held on 11th November 2016 in which Shri Gopal Krishan Gupta and Shri Amalendu Mohanty was inducted in the Board.

None of the Director holds membership of more than 10 Committees of Board nor is a Chairman of more than 5 Committees of Boards of all the companies in which he/she is a Director.



3) COMMITTEES OF BOARD:

The Board has constituted various committees for smooth and efficient operation of the activities and is responsible for constituting, assigning, co-opting and fixing the term of reference of the committees in line with the laws of the land. The chairman, quorum and the terms of reference of each committee has been approved by the Board.

The draft minutes of the proceedings of each committee meeting duly initialed by the Chairman of the respective committee meeting are circulated to the members of that committee for their comments and thereafter, confirmed by the respective committee in its next meeting. The Board also takes note of the minutes of the meetings of the committees duly approved by their respective Chairman and material recommendations/decisions of the committees are placed before the Board for approval.

3.1) AUDIT COMMITTEE:

The Primary objective of the Audit Committee of the Company is to monitor and provide effective supervisions of the management's financial reporting process with a view to ensuring accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Audit Committee met five times during the year 2016-17.

The composition and attendance of the committee are given below:

Composition:

Name of Director	Designation	Status
Shri Santosh Kumar Nanda	Chairman	Non Executive & Independent Director
Shri Sambit Mohanty	Member	Non Executive & Independent Director
Dr. Nitai Chandra Pal	Member	Non Executive & Independent Director
Shri Niranjana Mohanty	Member	Non Executive & Independent Director
Shri Basuru Nageswar Rao Patnaik	Member	Non Executive & Independent Director

Attendance:

Sl. No.	Date of Meeting	Total Members	Attendance by Members
1.	16.04.2016	4	2
2.	27.05.2016	4	2
3.	12.08.2016	4	4
4.	11.11.2016	4	2
5.	02.02.2017	5	3

The Audit Committee was reconstituted in the 204th Meeting of the Board of Directors held on 11th November 2016 in which Shri Basuru Nageswar Rao Patnaik became a member of the Audit Committee.

Audit Committee Charter :

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and removal of external auditor, fixation of audit fee and also approval for payment of any other services.
- c) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on :
 - Any change in the Accounting policies and practices.
 - Major accounting entries based on exercise of judgment by the management.
 - Qualification on draft Audit Report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with Stock Exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e. transaction of the company of material nature, with promoters or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the company at large.
- d) Reviewing with management, external and internal auditor, adequacy of internal controls systems.
- e) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- f) Discussion with internal auditors any significant findings and follow up thereon.

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- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h) Discussion with external auditors before the audit commences on the nature and scope of audit as well as has post audit discussion to ascertain any area of concern.
- i) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- j) To approve un-audited Quarterly Financial Results and publish the same as required in the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The meetings of the Audit Committee were also attended by Internal Auditor, Accounts Executive of the company and representatives of the Statutory Auditors as invitees for the relevant meetings. The recommendations of audit committee are usually accepted and implemented by the Board.

AUDIT COMMITTEE AND ESTABLISHMENT OF VIGIL MECHANISM :

The company has established a vigil mechanism and overseas through the committee, the genuine concerns established by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The company has also provided direct access the Chairman of the Audit Committee to discuss their concerns and grievances.

3.2) NOMINATION AND REMUNERATION COMMITTEE:

The purpose of the Nomination and Remuneration committee of the company shall be to discharge the Board's responsibilities relating to remuneration of the Company's Executive Directors. The committee has overall responsibility for approving and evaluating and recommending plan, policies and programs relating to remuneration of Executive Directors of the Company.

Name of Director	Designation	Status
Shri Santosh Kumar Nanda	Chairman	Non Executive & Independent Director
Shri Sambit Mohanty	Member	Non Executive & Independent Director
Dr. Nitai Chandra Pal	Member	Non Executive & Independent Director

The Nomination and Remuneration Committee was reconstituted in the 203rd Meeting of the Board of Directors held on 17th October 2016 in which Shri Debasis Das ceased to be a member of the Nomination and Remuneration Committee.

Terms of Reference:

- To appraise the performance of Managing and Executive Director; and
- To determine and recommend to the Board, compensation payable to Managing Director and Executive Directors.

3.3) SHARE TRANSFER AND INVESTOR GRIEVANCE COMMITTEE:

The "Share Transfer and Investor Grievance Committee" comprising Two Executive Directors and one Independent Non-Executive Director headed the committee of the company. The functioning and terms of reference of the Committee, inter-alia, approves issue of duplicate certificates and overseas and reviews all matters connected with securities transfers. The Committee also looks into redressing of investor's grievance pertaining to transfer/transmission of shares, dividends, dematerialization/re-materialization, and replacement of lost/stolen/mutilated share certificates, splitting, conversion and other related issues and to strengthen investor relation. In addition to the above, the Committee also addresses to complaints like non-transfer of shares, non-receipt of declared dividends, etc.

During the year, the Committee has met twice for consideration of share transfers, issue of duplicate shares, re-materialization of shares and other investors' grievances. The constitution of the Committee and the attendance of each member of the Committee are given below:

Name of the Director	Designation	Status	Committee Meetings Attended
Shri B. N. R.Patnaik	Chairman	Independent and Non-Executive Director.	2
Shri Deepak Kumar Das	Member	Promoter and Executive Director.	2
Shri Debasis Das	Member	Promoter and Executive Director.	2

The Company Secretary being the Compliance Officer of the Company is entrusted with responsibility to specifically look into the redresses of Shareholders and Investors complaints and report the same to the Share Transfer and Investor Grievance Committee.

During the year under review, the no complaint were received from investors .

MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors Meeting had met during the year on 29th May 2015 and 28th March 2016 to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company, and to assess the efficiency of flow of information between the management and the Board.

**4. GENERAL BODY MEETINGS :**

Details of location and time of last 3 years Annual General Meetings are as under:

Annual General Meeting :

Financial Year	Venue	Date	Day	Time	Special Resolution passed
2013-14	VITS"Cutttack Puri Road, Bhubaneswar	13.08.2014	Wednesday	12.30 P. M	None
2014-15	Hotel "The New Marrion", 6, Janpath, Bhubaneswar-751001	13.08.2015	Thursday	12 PM	2
2015-16	Hotel " The New Marrion", 6, Janpath, Bhubaneswar-751001	28.09.2016	Wednesday	11:30 Am	4

Extra-Ordinary General Meeting:

There is no Extraordinary General meeting held during the year ended 31st March 2017.

5. DISCLOSURES:**5.1) Disclosure regarding materially significant related party transactions:**

There are no materially significant related party transactions made by the Company with its promoters, Directors or the management, their relatives conflicting with company's interests. Other related party transactions have been reported in Notes on Accounts.

5.2) Disclosure of non-compliance by the company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authorities or any matter related to capital markets during the last three years:

The Company has complied with all the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as well as regulations and guidelines of SEBI. No penalties have been levied or strictures have been passed by Stock Exchange or SEBI on any other Statutory Authority on the matter relating to capital markets during the last three years.

5.3) Disclosures regarding appointment/re-appointment of Directors :

The Board recommends reappointment of Shri Dillip Das, Shri Debasis Das and appointment of Shri Gopal Krishan Gupta and Shri Amalendu Mohanty pursuant to the Companies Act 2013 and Articles of Association of company, The abbreviated resume of the Director being appointed/re-appointed and other relevant information is given elsewhere in this Annual Report, which form part of the Corporate Governance Report.

5.4) Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee:

The Company has adopted Whistle Blower Policy .

6. Non-mandatory Requirements:

The Company has complied with all the mandatory requirements of Regulation 27(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 relating to corporate Governance.

The company has set-up a remuneration Committee pursuant to Regulation 27(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

During the financial year 2016-2017 there is no audit qualification in the Company's financial statements. The company will continue to adopt best practices to ensure the regime of unqualified financial Statements.

7) MEANS OF COMMUNICATION :

The audited and Un-audited Financial Results of the Company are published in English newspapers and local Oriya daily newspapers.

There is no practice of sending half yearly results to the household of shareholders. The financial results and official news releases are also placed on the Company's website www.alfa.in

8) GENERAL SHAREHOLDERS INFORMATION:**8.1) Annual General Meeting:**

The Thirty-fifth Annual General Meeting ("the AGM") of the company will be held on 12th September 2017, Tuesday at 12 Noon at Hotel "The New Marrion", Bhubaneswar.

8.2) Financial Calendar for the year 2017-18:

The Company follows 1st April to 31st March as its financial year.

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8.3) Dates of Book Closure :

The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 6th September 2017, to Tuesday 12th September, 2017 (both days inclusive) for purpose of Annual General Meeting.

8.4) Dividend:

The Board of Directors has decided not to declare dividend for the year under review due to bad financial condition of the Company.

The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividends.

Details of dividend paid:

Dividend of Rs. 53, 60,000/- paid during the Financial Year 2009-10.

Dividend of 10% (i.e. Re.1/- per share) for the Financial Year 2009-10 was declared in the 28th Annual General Meeting held on 6th August, 2010 and paid within 30 days of declaration of dividend . Those who have not received the dividend amount, may contact the company or its RTA i.e.

M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700026

Members are requested to note that dividends not en-cashed or claimed within seven years from the date of transfer to the Company's Un-paid Dividend Account will as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund. The dividend for the financial year 2009-10 was declared on 06.08.2010. The unpaid/unclaimed dividend of the financial year 2009-10 on completion of 7 years to be transferred to IEPF is by October 2017 and the respective shares will also be transferred to IEPF.

8.5) Listing on Stock Exchanges:

The Company's shares are presently listed only at BSE Limited . Confirmation of de-listing of the Company's shares from The Bhubaneswar Stock Exchange Limited,P-2,Jayadev Vihar,Chandrasekharpur,Bhubaneswar-751023 and The Calcutta Stock Exchange Association Limited,7,Lyons Range,Kolkata-700001 is still awaited. However, Company is not paying listing fees to these two Stock Exchanges.

8.6) Company Stock code:

The Bombay Stock Exchange Scrip Code '517546'.

The ISIN Number of Alfa Transformers Ltd. (or demat number) on both NSDL and CDSL is INE209C01015

8.7) Market Price Data for the year 2016-17:

The monthly high and low quotations of Company's shares at Bombay Stock Exchange Limited (BSE) during the year 2016-17 under review are as under:

Month	High(Rs.)	Low(Rs.)	Volume(Nos)
April, 2016	24.20	20.55	6813
May, 2016	23.50	18.25	13491
June,2016	22.20	17.55	216882
July, 2016	23.10	19.3	11124
August, 2016	21.10	17.6	8730
September, 2016	24.65	18	56817
October, 2016	25.10	21	18412
November, 2016	25.70	20.15	34111
December, 2016	24	20.1	8106
January, 2017	23	20.8	18235
February, 2017	23	19.1	27507
March, 2017	21.95	18.35	33901



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8.8) Registrar and Share Transfer Agents:

All share transfer and related operations are conducted by the Registrar and Share transfer Agent of the company both in physical and dematerialized form, the address of which is given below:

**M/s MCS Share Transfer Agent Limited,
12/1/5, Manoharpukur Road,
Kolkata-700026
Phone: 4072-4051to53,
Fax: 4072-4054**

e-mail-mcssta@rediffmail.com

8.9) Share transfer systems:

Transfers of Securities in physical form are registered and duly transferred share certificates are dispatched within 15 days of receipt, provided the documents are in order. With regard to Shares in demat mode, the procedure is adopted as per the provisions of Depositories Act, 1996. The Shareholders are advised to contact the Registrar and Share Transfer Agents at their address for effecting transfer of shares both in physical and electronic form.

8.10) Shares held in physical and dematerialized form:

As on 31st March 2017, 95.90% of shares of the company were held in dematerialized form and the rest in physical form. Out of this dematerialized, promoter and their associates own 50.13 % and non-promoters held 49.87% of these Shares. The details of shares held in Physical and dematerialized form is given below:

Details of Shares	Position as on 31.03.2016	% of holding
NSDL ACCOUNT	5532540	87.74%
CDSL ACCOUNT	514696	8.16%
TOTAL DEMAT A/C	6047236	95.90%
PHYSICAL HOLDING	258352	4.10%
TOTAL SHARES	6305588	100.00

8.11) Distribution of Shareholdings as on 31st March 2017:

As of 31st March, 2017 the distribution of company share holding were as follows:

No of Equity Shares held	No of shareholders	% of shareholders	No. of shares	% of shareholding
1-500	2451	83.45	407814	6.47
501-1000	246	8.38	201845	3.20
1001-2000	117	3.98	179702	2.85
2001-3000	31	1.05	81111	1.29
3001-4000	19	0.65	69460	1.10
4001-5000	13	0.44	59412	0.94
5001-10000	21	0.72	150936	2.39
10001-50000	26	0.89	605866	9.61
50001-100000	3	0.10	219070	3.47
100001 & ABOVE	10	0.34	4330372	68.68
TOTAL	2937	100	5360000	100

8.12) Shareholding Pattern as on 31st March, 2017 :

Category	No of Shares	% of Shares Capital
Indian Promoters	3161293	50.13
PUBLIC Corporate Bodies	60245	0.96
Indian Public	2557195	40.55
NRIs/OCBs	526855	8.36

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8.13)GDRs/ADRs/Warrants:

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments.

8.14) Details of Shares held more than 1% as on 31st March, 2017 :

Name of Shareholders	No of Shares held	% of Shareholding
Shri Dillip Kumar Das	1062806	16.85
M/s Industrial Designs & Services Pvt. Limited	680842	10.79
Shri Gopal Krishan Gupta	630588	10.00
M/s Galaxy Medicare limited	539348	8.55
M/s Oricon Industries Pvt. Limited	387496	6.14
Shri K Shiva Kumar	332875	5.27
Shri Prashant Om Prakash Kothari	268000	4.25
Shri Atim Kabra	200315	3.17
Shri Debasis Das	121683	1.92
Shri Daga Anjana Sandeep	106419	1.68
Dillip Kumar Das, HUF	88953	1.41
Smt. Geetishree Das	73117	1.15

8.15). SEBI Complaints Redress System (SCORES)

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

8.16) CODE OF CONDUCT:

- a) The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management and the the same has been hosted on the Company's website www.alfa.in. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct as on 31st March 2017. The declaration signed by the Chairman & Managing Director of the Company is given below:

DECLARATION	
I, Dillip Kumar Das, Chairman cum Managing Director of Alfa Transformers Limited, hereby declare that all the members of the board of Directors and the Senior Management personnel have affirmed compliance with the code of conduct, for the year ended 31st March, 2017.	
FOR AND ON BEHALF OF THE BOARD	
PLACE: BHUBANESWAR	DILLIP KUMAR DAS
DATE: 29th May, 2017	CHAIRMAN CUM MANAGING DIRECTOR

- b) In terms of the Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations , 2015, the certification by the Managing Director and Chief Finance Officer of the Company on the financial statements and internal control relating to financial reporting, obtained by the Board of Directors, is given below:



Managing Director and CFO Certification

To

The Board of Directors

Alfa Transformers Ltd.

We, Dillip Kumar Das, Managing Director and Deepak Kumar Das, Chief Financial Officer, responsible for the finance function certify that :

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2017 and to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, 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, 2017 are fraudulent, illegal or volatile 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. Deficiencies in the designs 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 the auditors and the Audit Committee :
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in accounting policies during the year requiring disclosures in the notes to the financial statements; and
 - iii) 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: Bhubaneswar

Date: 29th May, 2017

Managing Director

Chief Financial Officer

8.17) Factory Locations of the Company:

Unit-I : 3337, Mancheswar Industrial Estate, Bhubaneswar-751010.

Unit-II : Plot No.-2, Zone-D, Phase-A, Mancheswar Industrial Estate, Bhubaneswar-751010.

Unit-IV : Plot No.1046, 1047 & 1048, GIDC Estate, Waghodia, Vadodara, Gujrat-391760.

8.18) Address for Correspondence:

Any query relating to shares and requests for transactions such as transfer, transmission and nomination facilities, duplicate share certificates, change of address, non-receipt dividend/ Annual Report, as also regarding dematerialization of shares may please taken up with.

Ms. Krishna Panda

Company Secretary & Compliance Officer,

Alfa Transformers Limited,

Plot No. 3337, Mancheswar Industrial Estate,

Bhubaneswar-751010.

Phone No.9437007960

Fax No.0674-2580495

8.19) CIN Number:

The Corporate identity Number ("CIN") of the company, as allotted by Ministry of Company Affairs is **L31102OR1982PLC001151**.

FOR AND ON BEHALF OF THE BOARD

PLACE : BHUBANESWAR

DATE: 29th May, 2017

DILLIP KUMAR DAS
CHAIRMAN CUM MANAGING DIRECTOR

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To,

The Members of Alfa Transformers Limited.

We have examined the compliance of conditions of Corporate Governance by Alfa Transformers Limited ('the Company') for the year ended 31 March 2017, as per Regulations 17-27, clause (b) to (i) of Regulation 46(2) and paragraphs C, D and E of schedule V of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations,2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our 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.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

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

Restrictions on use

This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

Bhubaneswar
Date : 29th May, 2017

For A.K. SABAT & CO.,
Chartered Accountants

UMAKANTA JENA
PARTNER
Membership No.:307338
Firm Registration No.:321012E (ICAI)



ANNEXURE “C” TO DIRECTORS’ REPORT MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW:

According to recently published TechSci Research report “India Power and Distribution Transformers Market Forecast and Opportunities, 2020” the market for power & distribution transformers in India is projected to grow at a CAGR of 10.5% during 2015-20. Growth of the country’s power transmission and distribution (T&D) sector remained sluggish during 10th and 11th five year plan due to inadequate investments allocated by the Indian government. Under the 12th Five Year Plan (2012-17), the government spent USD 200 Billion on developing and strengthening power infrastructure but share on Distribution segment remained low. However, now the Indian government is focused towards expansion of the country’s T&D network with significantly higher investments than plans, which is expected to result in robust growth of the power & distribution transformers industry in the coming years.

Power is a critical infrastructure, which has multiplier effect on almost all sector of the economy besides being critical input for improving the quality of life. The growth in the economy and its global competitiveness hinges on the availability of reliable and quality of power at competitive rates. The demand of power in our country is enormous and growing steadily. The vast Indian power market today offers the highest growth opportunities for private developers. However this market was not fully tapped due to structural/ financial issues at power distribution companies. To solve these, Govt. of India has taken a numbers of measures for providing an enabling framework aimed at fostering rapid growth in the power sector. Some of the initiative are :-

Opportunities

Power for all

Govt of India has decided to take joint initiative with all states and territories to provide 24x7 powers to all consumers except agriculture. The hours of agriculture usage shall be decided by states as per their requirement. The initiative aims at supply of uninterrupted power to all existing customers and providing access to all unconnected consumers

Ujwal DISCOMS Assurance Yojana (UDAY)

UDAY was launched by the Government on 20th November 2015 for operational and financial turn-around of state owned power distribution companies, reducing the cost of power and reduction of T& D losses

Integrated Power Development Scheme (Estimated outlay Rs 32,600 crore)

(Restructured Accelerated development & Reforms Program (R-APDRP) is subsumed in this scheme)

In order to provide impetus to strengthening of power distribution sector in urban area, Ministry of Power, Government of India launched this scheme 3rd December 2014 for Strengthening of sub-transmission and distribution networks in the urban areas, Metering of distribution transformers /feeders/ consumers in the urban area and IT enablement of distribution sector and strengthening of distribution network

Deen DAYAL Uppdhyay Gram Jyoti Yojna

This For distributing scheme has same objective as IPDS but focused on rural areas

Ummat Jyoti by Affordable LED for All (UJALA)

For distributing affordable LED bulbs / fans and other items of daily use to consumers

Energy Efficient Transformers

Government of India vide its notification has made it compulsory no distribution transformer can be manufactured or commercially sold in India without BIS license They will also have to comply with specification as per the STAR scheme of BEURO of ENERGY EFFICIENCY energy efficient specifications for various transformers up-to rating of 2500 kVA. This will weed out many small manufacturers who does not have access to technology to produce in most efficient way.

Performance Rating of DISCOMS

Government of India has launched rating of DISCOMS on various parameters. As per the latest report published (May-2017) the top five Discoms are shown below :

S. No.	Name of Utility	State	Rating Agency	5th IR Grade (FY 2016)
1	Dakshin Gujarat Vij Company Limited	Gujarat	ICRA	A+
2	Uttar Gujarat Vij Company Limited	Gujarat	ICRA	A+
3	Uttarakhand Power Corporation Limited	Uttarakhand	CARE	A+
4	Paschim Gujarat Vij Company Limited	Gujarat	IRCA	A+

Good Customer Ratings

Gujarat is the most modern state in western region of India known locally as jewel of the western part . The power demand of the state is expected to increase from 14000 mw Fy 2014-15 to 18000 mw in 2018-19 due to natural increase in customer base, addition of new household, rapid growth in industry and more commercial activities in and around urban areas .The objective of the roadmap of supplying 24x7 power for all the consumers can be achieved through capacity augmentation, building redundancies in upstream networks and adopting appropriate technologies. Gujarat is way ahead in adopting use of energy efficient transformers than other states which augers well for your company.

The Government of Gujarat unbundled and restructured the Gujarat Electricity Board with effect from 1st April, 2005. The Generation, Transmission and Distribution business of the erstwhile Gujarat Electricity Board were transferred to seven successor companies, namely Gujarat Urja Vikas Nigam Limited (GUVNL) - the holding company, Gujarat State Electricity Corporation Limited (GSECL)- general company, Gujarat Electricity Transmission Corporation Limited (GETCO)- transmission company and four power distribution companies namely, Dakshin Gujarat Vij Company Limited (DGVCL), Uttar Gujarat Vij Company Limited (UGVCL), Paschim Gujarat Vij Company Limited (PGVCL) and Madhya Gujarat Vij Company Limited (MGVCL).

We are happy to inform you that these form part of prime customers base for your company Vadodara facility. As state of Gujarat, grants 50% quantity for state units, we hope to have good order in-flow for our Vadodara facility.

Robust Growth

Based on investments planned in the power sector, replacement demand of transformers and export potential, CARE Ratings expects the demand for transformers to sustain in near to medium term with an expected annual transformer order flow of around Rs.14,000 crore. Reducing interest rate scenario may help improve profitability. Export of transformers is expected at around 20% of FY15 aggregate turnover of Indian transformer industry. The global annual transformer orders are expected to be in the range of Rs.1.86 to Rs.1.90 lakh crore over the next few years. Indian transformer manufacturers have a nominal share of around 1.61% in the global demand and thus exhibit a good export potential, mainly in the lower kV segment.

RISKS & CONCERNS:

Supply of high grade prime quality Cold Rolled Grain Oriented (CRGO) steel is the biggest challenge faced by transformer manufacturers in the country. CRGO requirement is completely met through imports; it is in fact challenging to assess the true quality of the material that is used by the transformer manufacturers in India. India needs 2.5 lakh tons of CRGO every year and an appalling 70 percent of this is scrap grade material.

Supply of Amorphous Core material:- Procurement of amorphous core material for energy efficient transformer is a big issue . This market is dominated by Japanese . Though your company has long term arrangement but timely supply at competitive is an issue. Currents annual imports are around 25,000 T per year which is likely to increase manifold in the years to come.



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Failure rate of Transformers – High failure rate of distribution transformers is a big concern for the transformer industry in India. The average operational life of a transformer is between 25 to 30 years; however, transformers are known to be recalled for repair in as early as three years. The failure rate of distribution transformers in India is estimated at 10-15 percent (in stark contrast to the less than 2 percent failure rate in developing countries). This is due to the low entry barriers in the distribution transformer market leading to unorganized players entering the market, and competing on the price factor. SEBs historically follow a L1 vendor selection criteria, which has led to proliferation of many small players, that compromise on the quality of transformers manufactured

Financial Condition of SEBs –

SEBs have been facing losses due to the supply of subsidized power to agricultural farmers, theft of power, and inefficient T&D infrastructure. This has restricted private investment in the power T&D sector, thereby reducing the quality of service from SEBs. This, in turn, is affecting the capacity building program and transmission of power

Lack of testing facilities –

The growth in testing infrastructure has not kept pace with that of production, both, quantitatively and qualitatively. Testing infrastructure available at India's premier agency, the Central Power Research Institute (CPRI) is proving short of demand. Manufacturers of large power transformers at times need to send their equipment for testing to overseas facilities like Korea Electrotechnology Research Institute (KERI) and KEMA which is expensive. Apart from this, huge logistical costs and lead times are also involved.

High requirement of Working capital

Almost all DISCOM demand 3 to 5 years warranty period backed up by bank guarantees. This puts lot of stress in working capital requirement and can constrain the growth.

OUTLOOK FOR THE COMPANY :

The Transformers Industry and Power Industry of the country are closely associated and in a way are interdependent as electricity can't reach the end user without inserting transformers en-route for transformation of various voltage levels. As per the trust and policy of Government of India to electricity all

villages by 2020, the demand of transformers is likely to grow exponentially in coming years. With upcoming projects and added efforts being put in for power generation, transmission & distribution, the long term prospects are bright. We hope to get a good number of orders in the coming years.

Apart from India, globally the electricity distribution net work has to be replaced progressively over the next five years. Moreover, Indian made transformers have now been recognized for their quality and durability in international market. All these factors would improve the business for Transformer Industry tremendously.

Looking at the growth prospects, your company has prepared business plan to out-pace competitors, multiply growth and add to shareholder value. This plan is based on increasing capacity utilization of plant, servicing and up-grading old machines and equipment thus minimizing the Capital expenditure, just-in-time material management by using best management practices, rationalization of plant and machineries between Vadodara and Bhubaneswar plant for higher productivity. Special attention is paid on customer services .For better management information system, we have synchronized the IT servers both the facilities.

Your company is also embarking an ambitious program for certification of energy efficient transformers with BIS and customers designed as per latest design software in most optimum way .

PERFORMANCE REVIEW:

In the competitive market, the Company was able to achieve Sales and Other income to Rs. 25.92 Crores in the present year as compared to Rs. 27.16 Crores in the previous year and the Loss was increased to Rs. 3.04 Crores as compared to Rs.0.54 Crores in the previous year. Increase in loss was due to delay in sales as pending orders could not be executed for want of BIS approval since test at government labs required lot of time and expenses . Due to this company was not able to execute orders in time and also could not participate in the tenders and also had to dispose-off redundant non-moving stocks at loss.

The Current Financial year 2017-18 has begun with order of Rs. 60.30 Crores. The orders for transformers are increasing and the company believes to achieve higher sales turnover in 2017-18.

**ANNEXURE –“D” TO THE DIRECTORS REPORT
SECRETARIAL AUDIT REPORT
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR 2016-17**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Alfa Transformers Limited
3337, Mancheswar Industrial Estate
Bhubaneswar, Odisha-751017

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Alfa Transformers Limited (hereinafter called 'the Company') for the financial year ended **31st March, 2017**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Alfa Transformers Limited ("the Company") for the financial year ended on 31st March, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act), and Rules made there under;
- (ii) The Companies Act, 1956 and Rules made there under, to the extent for specified sections in the Act, not yet notified;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable during the period under report)
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period)**
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
- (vii) Other Industry Specific laws applicable to the Company are:

Being a Transformer (Electric) Industry, there are no specific laws applicable to the Company, which requires approvals or compliances under any Act, Rules or Regulations.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).
- (ii) The Uniform Listing Agreements entered into by the Company with the BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.



ALFA TRANSFORMERS LIMITED

(A) COMPOSITION OF BOARD:

During the financial year under review, the Board of Directors of the Company consists of the following Directors, as detailed below:

LIST OF DIRECTORS DURING THE FINANCIAL YEAR 2016-17

Sl.No.	Name of the Directors	Designation	Date of Appointment	Date of Cessation
1.	Shri Dillip Kumar Das	Chairman & Managing Director	28.12.1982	–
2.	Shri Deepak Kumar Das	Whole-time- Director & Chief Financial Officer	28.12.1982	–
3.	Shri Debasis Das	Whole-time- Director (Marketing)	28.06.2004	–
4.	Shri Gopal Krishan Gupta	Executive Director	11.11.2016	–
5.	Smt. Sujita Patnaik	Non Executive Director	13.08.2014	–
6.	Shri Santosh Kumar Nanda	Non Executive & Independent Director	13.12.1993	–
7.	Shri Sambit Mohanty	Non Executive & Independent Director	27.12.2001	–
8.	Shri Nitai Chandra Pal	Non Executive & Independent Director	27.12.2001	–
9.	Shri Niranjana Mohanty	Non Executive & Independent Director	22.12.2009	–
10.	Shri Basuru Nageswar Rao Patnaik	Non Executive & Independent Director	29.01.2010	–
11.	Shri Amalendu Mohanty	Non Executive & Independent Director	11.11.2016	–
12.	Ms. Krishna Panda	Company Secretary Cum Compliance Officer	03.01.2015	–

* Shri Gopal Krishan Gupta, was appointed as an Executive Director of the Company on 11th November, 2016.

* Shri Amalendu Mohanty, was appointed as an Independent Director of the Company on 11th November, 2016.

The Board of Directors of the Company has been duly constituted with the proper balance of Executive, Non- Executive & Independent Directors, at the beginning of the financial year there were Three (3) Executive Directors, 1 (One) Non Executive Director and Five (5) Non Executive & Independent Directors and at the end of the financial year there were Four (4) Executive Directors, 1 (One) Non Executive Director and Six (6) Non Executive & Independent Directors.

(B) BOARD MEETINGS:

During the financial year, seven (7) Board Meetings were held as follows:

Board Meeting No.	Date of Board Meeting	Name of Directors present	Name of Directors absent
199 th	16.04.2016	1. Dillip Kumar Das 2. Santosh Kumar Nanda 3. Basuru Nageswar Rao Patnaik 4. Deepak Kumar Das 5. Sambit Mohanty 6. Debasis Das 7. Sujita Patnaik	1. Nitai Chandra Pal 2. Niranjana Mohanty
200 th	03.05.2016	1. Dillip Kumar Das 2. Santosh Kumar Nanda 3. Basuru Nageswar Rao Patnaik 4. Deepak Kumar Das 5. Debasis Das 6. Sujita Patnaik	1. Nitai Chandra Pal 2. Niranjana Mohanty 3. Sambit Mohanty
201 st	27.05.2016	1. Dillip Kumar Das 2. Santosh Kumar Nanda 3. Deepak Kumar Das 4. Debasis Das 5. Basuru Nageswar Rao Patnaik 6. Sambit Mohanty	1. Niranjana Mohanty 2. Sujita Patnaik 3. Nitai Chandra Pal

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Board Meeting No.	Date of Board Meeting	Name of Directors present	Name of Directors absent
202 nd	12.08.2016	1. Dillip Kumar Das 2. Santosh Kumar Nanda 3. Basuru Nageswar Rao Patnaik 4. Deepak Kumar Das 5. Sambit Mohanty 6. Debasis Das 7. Sujita Patnaik 8. Nitai Chandra Pal 9. Niranjan Mohanty	N.A
203 rd	17.10.2016	1. Dillip Kumar Das 2. Santosh Kumar Nanda 3. Basuru Nageswar Rao Patnaik 4. Deepak Kumar Das 5. Sambit Mohanty 6. Sujita Patnaik 7. Niranjan Mohanty	1. Debasis Das 2. Nitai Chandra Pal
204 th	11.11.2016	1. Dillip Kumar Das 2. Santosh Kumar Nanda 3. Basuru Nageswar Rao Patnaik 4. Deepak Kumar Das 5. Debasis Das 6. Sujita Patnaik 7. Niranjan Mohanty	1. Nitai Chandra Pal 2. Sambit Mohanty
205 th	10.02.2017	1. Dillip Kumar Das 2. Sambit Mohanty 3. Basuru Nageswar Rao Patnaik 4. Deepak Kumar Das 5. Debasis Das 6. Sujita Patnaik 7. Niranjan Mohanty 8. Gopal Krishan Gupta 9. Amalendu Mohanty	1. Nitai Chandra Pal 2. Santosh Kumar Nanda

Adequate notice was given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The requisite quorum was present in all the Board Meetings held during the financial year as per the provisions of the Companies Act, 2013, Rules, Guidelines, Regulations, Standards and as per the requirements of the Articles of Association of the Company. All decisions at the Board Meetings and Committee Meetings were carried out unanimously and recorded in the minutes of the respective meetings.

(C) Separate Meeting of the Independent Directors:

As per the provisions of Section 149(8) read with Clause VII of Schedule IV of the Companies Act, 2013, two separate meetings of Independent Directors of the Company were held on 29th May 2015 & 28th March 2016.

(D) STATUTORY COMMITTEES OF THE BOARD:

I. Audit Committee:

The Audit Committee of the Company has been constituted as per the provisions of Section 177 of the Companies Act, 2013, Rules, Guidelines, Regulations and Standards.

The Committee consists of the following Directors:

- | | |
|------------------------------------|----------|
| 1. Mr. Santosh Kumar Nanda | Chairman |
| 2. Mr. Nitai Chandra Pal | Member |
| 3. Mr. Sambit Mohanty | Member |
| 4. Mr. Niranjan Mohanty | Member |
| 5. Mr. Basuru Nageswar Rao Patnaik | Member |

The Audit Committee was re-constituted in the 204th meeting of the Board of Directors held on 11th November, 2016, in which Shri Basuru Nageswar Rao Patnaik become a member of the Audit Committee.



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During the financial year, Five (5) meetings of the member of the Audit Committee were held as follows:

Date of Meeting	Name of Members present	Name of Members absent
16.04.2016	1. Santosh Kumar Nanda 2. Sambit Mohanty	1. Niranjn Mohanty 2. Nitai Chandra Pal
27.05.2016	1. Santosh Kumar Nanda 2. Sambit Mohanty	1. Niranjn Mohanty 2. Nitai Chandra Pal
12.08.2016	1. Santosh Kumar Nanda 2. Niranjn Mohanty 3. Sambit Mohanty 4. Nitai Chandra Pal	NA
11.11.2016	1. Santosh Kumar Nanda 2. Niranjn Mohanty	1. Nitai Chandra Pal 2. Sambit Mohanty
02.02.2017	1. Santosh Kumar Nanda 2. Niranjn Mohanty 3. Basuru Nageswar Rao Patnaik	1. Nitai Chandra Pal 2. Sambit Mohanty

II. Nomination & Remuneration Committee:

The Nomination & Remuneration Committee of the Company has been constituted as per the provisions of Section 177 of the Companies Act, 2013, Rules, Guidelines, Regulations and Standards.

The Committee consists of the following Directors:

1. Mr. Santosh Kumar Nanda Chairman
2. Mr. Nitai Chandra Pal Member
3. Mr. Sambit Mohanty Member

The Nomination & Remuneration Committee was re-constituted in the 203rd meeting of the Board of Directors held on 17th October, 2016, in which Mr. Debasis Das ceased to be a member of the Nomination & Remuneration Committee.

During the financial year, two (2) meeting of the member of the Nomination & Remuneration Committee was held as follows:

Date of Meeting	Name of Members present	Name of Members absent
03.05.2016	1. Santosh Kumar Nanda 2. Debasis Das	1. Nitai Chandra Pal 2. Sambit Mohanty
11.11.2016	1. Santosh Kumar Nanda 2. Nitai Chandra Pal 3. Sambit Mohanty	NA

III. Share Transfer & Investor Grievance Committee:

The Committee consists of the following members :

1. Mr. Basuru Nageswar Rao Patnaik Chairman
2. Mr. Deepak Kumar Das Member
3. Mr. Debasis Das Member

During the financial year, Two (2) Share Transfer & Investor Grievance Committee Meeting were held as follows:

Date of Meeting	Name of Members present	Name of Members absent
110.09.2016	1. Basuru Nageswar Rao Patnaik 2. Deepak Kumar Das	All members were present in the meeting.
10.02.2017	1. Basuru Nageswar Rao Patnaik 2. Deepak Kumar Das 3. Debasis Das	All members were present in the meeting.

We further report that as per the explanations given to us there are adequate systems and processes exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the period under review, the Company had issued and made preferential allotment of 9,45,588 Equity Shares (Nine Lakh Forty Five Thousand Five Hundred and Eighty Eight) of face value of Rs. 10/- (Rupees Ten only) each fully paid-up at an issue price of Rs. 22/- (Rupees Twenty Two only) and 6,49,412 (Six Lakh Forty Nine Thousand Four Hundred and Twelve) fully convertible warrants to be convertible at the option of proposed allottees of warrants ("warrant holders") into equivalent number of equity shares, in one or more tranches of face value of Rs 10/- (Rupees Ten only) each fully paid within a period of 18 (Eighteen) months from its allotment date ('warrant Exercise period') at an issue price of Rs. 22/- per share to the persons belonging to Promoter and Non-Promoter Category.

**For Saroj Ray & Associates
Company Secretaries**

**CS Saroj Kumar Ray, FCS
Partner
C P No: 3770, FCS : 5098**

**Date: 27.05.2017
Place: Bhubaneswar**

(This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report)

ANNEXURE – A

To,
The Members
Alfa Transformers Limited
3337 Mancheswar Industrial Estate
Bhubaneswar, Odisha-751017

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed by the Company provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Saroj Ray & Associates
Company Secretaries**

Sd/-

**CS Saroj Kumar Ray, FCS
Partner**

C P No: 3770, FCS : 5098

Date: 27.05.2017

Place: Bhubaneswar



ANNEXURE “E” TO THE DIRECTORS REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS :

1.	CIN	L31102OR1982PLC 001151
2.	Registration Date	28/12/1982
3.	Name of the Company	ALFA TRANSFORMERS LIMITED
4.	Category/Sub-category of the Company	Company Limited by shares/ India Non- Government Company
5.	Address of the Registered office & contact details	Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar –751010
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700026 Phone: 4072-4051to53, Fax: 4072-4054

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing and Repairs of electrical transformers	8504	100%

III. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1547312	0	1547312	28.87	1553607	0	1553607	24.64	(4.23)
b) Central Govt	—	—	—	—	—	—	—	—	—
c) State Govt(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	1285771	0	1285771	23.99	1607686	0	1607686	25.49	1.50
Total shareholding of Promoter (A)	2833083	0	2833083	52.86	3161293	0	3161293	50.13	(2.73)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks / FI	—	—	—	—	—	—	—	—	—
c) Central Govt	—	—	—	—	—	—	—	—	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B)(1):-	—	—	—	—	—	—	—	—	—

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Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	123951	3500	127451	2.37	56745	3500	60245	0.96	(1.41)
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	848127	113052	1061179	19.80	864553	210952	1075505	17.06	(2.74)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	808263	0	808263	15.08	1481690	0	1481690	23.50	8.42
c) Others (specify)									
Non Resident Indians	486124	43900	530024	9.89	482955	43900	526855	8.35	(1.54)
Overseas Corporate Bodies	—	—	—	—	—	—	—	—	—
Foreign Nationals	—	—	—	—	—	—	—	—	—
Clearing Members	—	—	—	—	—	—	—	—	—
Trusts	—	—	—	—	—	—	—	—	—
Foreign Bodies - D R	—	—	—	—	—	—	—	—	—
Sub-total (B)(2):-	2266465	260452	2526917	47.14	2885943	258352	3144295	49.87	2.73
Total Public Shareholding									
(B)=(B)(1)+ (B)(2)	2266465	260452	2526917	47.14	2885943	258352	3144295	49.87	2.73
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	5099548	260452	5360000	100	6047236	258352	6305588	100	—

B) Shareholding of Promoter-

During the year there was preferential issue of 945588 equity shares and 649412 convertible warrants for which the percentage shareholding of all promoters changed due to enhancement in paid up capital of the company, even though, there is no acquisition /sale of shares by some promoters.

SN	Shareholder's Name	Shareholding at the beginning of the year (paid up capital- Rs 5,36,00,000)			Shareholding at the end of the year (Paid up capital- Rs 6,30,55,880 after preferential issue of shares and warrants)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	DILLIP KUMAR DAS	1156511	19.71	—	1062806	16.86	—	(2.85)
2	INDUSTRIAL DESIGNS & SERVICES PVT. LTD	680842	12.70	—	680842	10.80	—	(1.90)
3	M/S GALAXY MEDICARE LTD	439248	8.19	—	539348	8.55	—	0.36
4	ORICON INDUSTRIES PVT. LIMITED	165681	3.09	—	387496	6.15	—	3.06
5	DEBASIS DAS	121683	2.27	—	121683	1.93	—	(0.34)
6	GETISHREE DAS	69161	1.36	—	73117	1.16	—	(0.20)
7	DILLIP KUMAR DAS (HUF)	88953	1.65	—	88953	1.41	—	(0.24)
8	DEEPAK KUMAR DAS	57000	1.06	—	57000	0.90	—	(0.16)
9	ANINDITA DAS	42008	0.78	—	42008	0.67	—	(0.11)
10	SUBHASIS DAS	41659	0.77	—	41659	0.66	—	(0.11)
11	ADITYA DAS	21000	0.39	—	21000	0.33	—	(0.06)
12	PARMITA DAS	27001	0.50	—	27001	0.42	—	0.08
13	KIRAN DAS	12390	0.23	—	12390	0.20	—	0.03
14	LOPA DAS	5990	0.11	—	5990	0.10	—	0.01



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C) **Change in Promoters' Shareholding** : During the year there was preferential issue of 945588 equity shares and 649412 convertible warrants for which the percentage shareholding of all promoters changed due to enhancement in paid up capital of the company, even though, there is no acquisition /sale of shares by some promoters. Below are mentioned the details of promoters who have acquired shares in this financial year.

SN	Particulars	Shareholding at the beginning of the year (paid up capital- Rs 5,36,00,000)		Cumulative Shareholding during the year (Paid up capital- Rs 6,30,55,880)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	DILLIP KUMAR DAS	1156511	19.71	—	—
	Add: Purchase of shares during the year	—	—	93705	—
	At the end of the year	—	—	1062806	16.86
2.	M/S GALAXY MEDICARE LTD	439248	8.19	—	—
	Add: Purchase during the year	—	—	100	—
	Add: Allotment of shares on private placement	—	—	100000	—
	At the end of the year	—	—	539348	8.55
3.	ORICON INDUSTRIES PVT. LIMITED	165681	3.09	—	—
	Add: Purchase during the year	—	—	6815	—
	Add: Allotment of shares on private placement	—	—	215000	—
	At the end of the year	—	—	387496	6.15
4.	GETISHREE DAS	69161	1.36	—	—
	Add: during the year	—	—	3956	—
	At the end of the year	—	—	73117	1.16

D) **Shareholding Pattern of top ten Shareholders:**
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (paid up capital- Rs 5,36,00,000)		Cumulative Shareholding during the year (Paid up capital- Rs 6,30,55,880)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	K SHIVA KUMAR	1056311	19.70	334404	5.30
2	PRASHANT OMPRAKASH KOTHARI	268000	5.00	268000	4.25
3	ATIM KABRA	—	—	200315	3.18
4	DAGA ANJANA SANDEEP	106419	1.98	106419	1.69
5	BABITA G SEKSARIA	50000	0.93	50000	0.79
6	JYOTI SATISH DONGRE	36839	0.69	36839	0.58
7	SUNIL KUMAR DEVAKONDA	36117	0.67	36117	0.57
8	SHYAM KISANGOPAL LAKHANI	13000	0.24	35559	0.56
9	SANJEEV KUMAR	34819	0.65	34819	0.55
10	RAVI KUMAR	25000	0.47	25000	0.40

E) **Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Dillip Kumar Das	1156511	19.71	-	-
	Add: During the year	-	-	200	0.01
	At the end of the year	-	-	1062806	16.86
2	Deepak Kumar Das	57000	1.06	-	-
	Add: During the year	-	-	-	-
	At the end of the year	-	-	57000	1.06
3.	Debasis Das	121683	2.27	-	-
	Add: During the year	-	-	-	-
	At the end of the year	-	-	121683	2.27
4.	Gopal Krishan Gupta			630588	10

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V) **INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

PARTICULARS	Secured Loans excluding deposits				Unsecured Loans	Deposits	Total Indebtedness
	Cash Credit		Term Loan Axis Bank	Vehicle Loan			
	SBI	Axis Bank					
Indebtedness at the beginning of the financial year							
i) Principal Amount	591.65	219.03	75.00	1.11	67.54	–	954.33
ii) Interest due but not paid	–	–	0.12	–	–	–	0.12
iii) Interest accrued but not due	–	–	–	–	–	–	–
Total (i+ii+iii)	591.65	219.03	75.12	1.11	67.54	–	954.45
Change in Indebtedness during the financial year							
* Addition	1727.66	1663.89	–	–	67.34	–	3458.89
* Reduction	1829.51	1541.248	(8.82)	(0.54)	60.41	–	3440.52
Net Change	901.857	122.65	(8.82)	(0.54)	6.93	–	18.37
Indebtedness at the end of the financial year							
i) Principal Amount	489.81	341.68	66.30	0.57	74.47	–	972.83
ii) Interest due but not paid	–	–	0.12	–	–	–	0.12
iii) Interest accrued but not due	–	–	–	–	–	–	–
Total (i+ii+iii)	489.81	341.68	66.30	0.57	74.47		972.83

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration					Total Amount
		Dillip Kumar Das	Deepak Kumar Das	Debasis Das	Gopal Krishan Gupta	
1	Gross salary	1500000	800000	799998	536667	3636665
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1380000	720000	720000	536667	3356667
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	120000	80000	79998	–	279998
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	–	–	–	–	–
2	Stock Option	–	–	–	–	–
3	Sweat Equity	–	–	–	–	–
4	Commission — as % of profit — others, specify...	–	–	–	–	–
5	Others, please specify	–	–	–	–	–
	Total (A)	1500000	800000	799998	536667	3356667



B. Remuneration to other directors (Seating fees)

SN.	Name of Directors	Total seating fees
1	Shri S.K Nanda	26000
2	Shri Amalendu Mohanty	2000
3	Shri B.N.R Patnaik	16000
4	Shri Niranjan Mohanty	14000
5	Dr. N.C Pal	4000
6	Smt. Sujita Patnaik	12000
	TOTAL	74000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		GEO	CS	CFO	Total
1	Gross salary	N.A	271550	800000	1071550
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		271550	720000	991550
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-	80000	80000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission - as % of profit others, specify...		-	-	-
5	Others, please specify Total		271550	800000	1071550

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority[RD / NCLT/ COURT]	Appeal made,if any (give Details)
A. Company :					
Penalty			None		
Punishment					
Compounding					
B. Director :					
Penalty			None		
Punishment					
Compounding					
C. Other Officers in Default :					
Penalty			None		
Punishment					
Compounding					

INDEPENDENT AUDITORS' REPORT

To the Members of Alfa Transformers Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **ALFA TRANSFORMERS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2017, and its loss and its 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 2016 (the 'Order') issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and returns;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) As required under Section 143 (3) (i) of the Companies Act, 2013 we report in Annexure B, on existence of adequate internal financial controls systems and its operating effectiveness for the financial year 2016-17; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position – Refer Para no-8 of Note-26 to the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Para no-11 of Note-26 to the standalone financial statement.

For **A. K. SABAT & CO.**,
Chartered Accountants
Firm Registration No: 321012E

(UMAKANTA JENA)
PARTNER
Membership No. 307338

Bhubaneswar
Date : 29th May, 2017

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Annexure A referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of ALFA TRANSFORMERS LIMITED on the Standalone Financial Statements of the Company for the year ended 31st March, 2017.

We report that

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and location of its fixed assets.
- b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regards to the size of the Company and the nature of its assets.
- c) The title deeds of the immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventories were physically verified during the year by the management at a reasonable interval and no material discrepancies were noticed on such verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). Accordingly, the provisions of clause 3(iii)(b)&(c) of the order are not applicable to the Company and hence not commented upon.
- (iv) As per information and explanations given to us, there are no loans, investments, guarantees and securities to which provisions of Section 185 or 186 of the Act are applicable and hence commenting on compliance of above provisions doesn't arise.
- (v) The Company has not accepted any deposit from the public, consequently the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable and hence not commented upon.
- (vi) We have broadly reviewed the cost records maintained by the company including the records prescribed by the Central Government under section 148(1) of the Act, for the products of the Company and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on basis of our examination of the records of the Company, the Company is regular in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at 31st March 2017 for a period of more than 6 months from the date they became payable.
- (b) Details of disputed statutory dues which have not been deposited on account of any dispute are given below:



ALFA TRANSFORMERS LIMITED

Name of the Statute	Period	Dispute (in brief)	Disputed Amount Rs.	Forum where dispute is pending
Income Tax Act, 1961	1994-95	Deduction U/S 80 I disallowed in assessment	2,77,227	High Court of Orissa
Income Tax Act, 1961	1995-96	Deduction U/S 80 I disallowed in assessment	2,71,209	High Court of Orissa
Income Tax Act, 1961	2006-07	Disallowance of Deposit/ advances written off, loss on discarded assets.	11,90,020	Income Tax Appellate Tribunal, Cuttack
Income Tax Act, 1961	2009-10	Disallowance of expenses	23,860	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	2010-11	Disallowance of advances written off, loss on discarded assets Disallowance of expenses	5960	Commissioner of Income Tax (Appeals)
Central Sales Tax, 1956	1989-90	Disallowance of CST exemption	2,51,039	High Court of Orissa
Central Sales Tax, 1956	1990-91	Disallowance of CST exemption	1,08,000	Commissioner of Sales Tax, Bhubaneswar
Central Sales Tax, 1956	1991-92	Disallowance of CST exemption	15,50,740	Sales Tax Tribunal
The Orissa Sales Tax Act, 1947	1996-97	Disallowance of Price Variation Bill	73,008	Sales Tax Tribunal
The Orissa Sales Tax Act, 1947	2003-04	Wanting Form IV & XXXIV	6,62,384	Assistant Commissioner of Sales Tax
The Orissa Entry Tax Act, 1999	2004-05	Demand on Purchase of Raw Materials	2,77,791	Sales Tax Tribunal, Cuttack
The Orissa Entry Tax Act, 1999	2005-06	Demand on Purchase of Raw Materials	87,06,714	Orissa High Court, Cuttack
Central Sales Tax, 1956	2012-14	Disallowance of CST Exemption	2,25,068	JCST, Bhubaneswar Range, Bhubaneswar
Service Tax (Finance Act 1994)	July 12 to March 15	Service Tax on Manpower Service	4,01,388	Commissioner of Customs, Central Excise and Service Tax

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
- (ix) As per information and explanations given to us, the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provision of clause 3(ix) of the Order are not applicable.
- (x) During the course of our examination of books of account carried out in accordance with the generally accepted auditing practices in India and in our opinion and as per information and explanations given to us no fraud by the company or on the company by its officers or employees has been noticed or reported during the year;
- (xi) As per examination of books of accounts and as per information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule-V to the Act.
- (xii) As the Company is not a Nidhi company, reporting under Para 3 (xii) of the Order is not applicable;
- (xiii) Based on our examination of books of accounts and as per information and explanations given to us, all transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards;
- (xiv) The Company has made a private placement of 9,45,588 no's of fully paid equity shares (Rs.10/- each share) at a premium of Rs. 12/- per security during the year.
- (xv) The company does not have any non cash transactions with directors or persons connected with directors.
- (xvi) As per information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **A. K. SABAT & CO.**,
Chartered Accountants
Firm Registration No: 321012E

(UMAKANTA JENA)

PARTNER

Membership No. 307338

Bhubaneswar

Date : 29th May, 2017

Annual Report 2017

Annexure B referred to in paragraph 2(f) of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of ALFA TRANSFORMERS LIMITED on the accounts of the Company for the year ended 31st March, 2017.

We have audited the internal financial controls over financial reporting of Alfa Transformers Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for laying down and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing, to the extent applicable to an audit of internal financial controls and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **A. K. SABAT & CO.**,
Chartered Accountants
Firm Registration No: 321012E

(UMAKANTA JENA)
PARTNER

Membership No. 307338

Bhubaneswar
Date : 29th May, 2017



STANDALONE BALANCE SHEET AS AT 31ST MARCH 2017

(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2017		As at 31st March 2016	
I. EQUITY AND LIABILITIES					
1 Shareholders' Funds					
(a) Share Capital	1(a)	630.56		536.00	
(b) Reserves and Surplus	2	2996.21		1014.88	
(c) Money Received against share warrants	1(b)	35.72		—	
			3662.49		1550.88
2 Non-Current Liabilities					
(a) Long-Term Borrowings	3	56.49		66.86	
(b) Deferred Tax Liabilities (Net)	4	112.89		112.89	
(c) Long-Term Provisions	5	24.30		22.45	
			193.68		202.20
3 Current Liabilities					
(a) Short-Term Borrowings	6	905.96		878.22	
(b) Trade Payables	7	494.93		447.03	
(c) Other Current Liabilities	8	115.85		122.28	
(d) Short-Term Provisions	9	1.97		1.63	
			1518.71		1449.16
TOTAL			5374.88		3202.24
II. ASSETS					
1 Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	10	3363.36		1316.49	
(ii) Intangible Assets	10	0.80		3.16	
(iii) Capital Work-in-Progress	10	1.90		---	
(b) Non-Current Investments	11	13.34		13.34	
(c) Long-Term Loans and Advances	12	56.82		55.33	
			3436.22		1388.32
2 Current assets					
(a) Inventories	13	1046.53		1014.63	
(b) Trade Receivables	14	592.68		511.26	
(c) Cash and Cash equivalents	15	235.11		237.87	
(d) Short-Term Loans and Advances	16	58.50		42.78	
(e) Other Current Assets	17	5.84		7.38	
			1938.66		1813.92
TOTAL			5374.88		3202.24
SIGNIFICANT ACCOUNTING POLICIES	25				
ADDITIONAL NOTES ON ACCOUNTS	26				

THE NOTES REFERRED ABOVE FORM PART OF FINANCIAL STATEMENTS.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS
Firm Registration No: 321012E

UMAKANTA JENA
PARTNER
Membership No. 307338
BHUBANESWAR
DATED : 29th May 2017

DILLIP KUMAR DAS
MANAGING DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR (FINANCE) & CFO

KRISHNA PANDA
COMPANY SECRETARY

Annual Report 2017

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March,2017	For the year ended 31st March,2016
I. Revenue from Operations	18	2565.30	2693.08
II. Other Income	19	27.20	22.55
III. Total Revenue (I + II)		2592.50	2715.63
IV. EXPENDITURE :			
Cost of Materials Consumed	20	1996.10	2119.62
Changes in Inventories of Finished Goods & Semi-Finished Goods	21	31.89	(193.03)
Employee Benefits Expenses	22	188.53	133.56
Finance Costs	23	196.70	165.21
Depreciation and Amortization expense	10	140.95	135.28
Other Expenses	24	342.18	410.87
Total Expenses		2896.35	2771.52
V. Profit/(Loss) Before Exceptional and Extraordinary Items and Tax (III-IV)		(303.85)	(55.89)
VI. Exceptional Items		—	—
VII. Profit/(Loss) Before Extraordinary Items and Tax (V - VI)		(303.85)	(55.89)
VIII. Extraordinary Items		—	—
IX. Profit/(Loss) Before Tax (VII- VIII)		(303.85)	(55.89)
X Tax Expenses:			
(1) Current Tax		—	—
(2) Income Tax earlier year		(0.19)	1.53
(3) Deferred Tax Assets/(Liabilities) [Net]		—	—
XI Profit/(Loss) for the period (IX-X)		(304.04)	(54.36)
XII Earnings Per Equity Share (of face value ₹ 10/- each)			
(1) Basic & Diluted (in ₹)		(4.82)	(1.01)
(In the view of loss the EPS is treated as anti-dillutive)			
SIGNIFICANT ACCOUNTING POLICIES	25		
ADDITIONAL NOTES ON ACCOUNTS	26		

THE NOTES REFERRED ABOVE FORM PART OF FINANCIAL STATEMENTS.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS
Firm Registration No: 321012E

DILLIP KUMAR DAS
MANAGING DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR (FINANCE) & CFO

UMAKANTA JENA
PARTNER
Membership No. 307338
BHUBANESWAR
DATED : 29th May 2017

KRISHNA PANDA
COMPANY SECRETARY



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in Lakhs)

PARTICULARS	Year Ended 31-03-2017	Year Ended 31-03-2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Interest, Taxes & Extraordinary Items	(107.14)	109.29
Add :		
Depreciation	140.95	135.29
Bad Debts Written off/Provisions & Liquidated Damages etc.	61.32	45.81
Written off of Discarded Assets	2.01	—
Long Term Provisions	1.84	—
	98.98	290.39
Less :		
Interest Income	15.69	24.35
Foreign Exchange Gain/ (Loss) (Net)	11.46	0.45
Profit/ (Loss) on Sale of Assets & Discarded (Net)	0.05	0.20
Dividend Receipt	0.04	—
Balances written back	1.88	1.54
	29.12	26.54
Operating Profit / (Loss) before Working Capital Changes	69.87	263.85
Adjustment for;		
Inventories- Decrease/(Increase)	(31.91)	(135.47)
Trade & Other Receivables- Decrease/(Increase)	(142.75)	9.18
Short Term Loans and Advances	(15.71)	—
Other Current Assets	2.88	—
Trade Payables & Provisions- Decrease/ (Increase)	59.36	(240.82)
Short Term Borrowings	27.75	—
Other Current Liabilities	(6.19)	—
Short Term Provisions	0.32	---
Cash Generated From Operations	(36.39)	(103.26)
Less: Income Tax(Paid)/Refunded	(3.53)	7.04
NET CASH FLOW FROM OPERATING ACTIVITIES	(39.92)	(96.22)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions of Fixed Assets and Capital Work-in-Progress	(17.77)	(13.14)
Proceeds on Sale of Fixed Assets	0.48	—
Interest Received	15.69	24.35
Short Term Loans & Advances	2.04	23.99
Dividend Receipt	0.04	—
(Increase)/ Decrease in Fixed Deposit	4.60	(44.10)
NET CASH FLOW FROM INVESTING ACTIVITIES	5.08	(8.90)

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in Lakhs)

PARTICULARS	Year Ended 31-03-2017	Year Ended 31-03-2016
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase/ (decrease) in secured borrowings	(10.38)	265.58
Payment of Interest	(196.69)	(164.95)
Decrease in Unpaid Dividend Deposit Account	1.84	—
Proceeds from Issue of Share Capital	243.75	—
NET CASH FLOW FROM FINANCING ACTIVITIES	38.52	100.63
Net Increase in cash and cash equivalents(A+B+C)	3.68	(4.49)
Cash and cash equivalents as on 31-03-2016	3.80	8.29
CASH & CASH EQUIVALENTS AS ON 31-03-2017	7.48	3.80
Cash and Cash Equivalents comprises		
-- Cash	0.35	2.81
-- Balance with Schedule Banks	7.13	0.99
	7.48	3.80

Note :

1. All figures in brackets are outflow of cash.
2. Cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3 issued by the Institute of Chartered Accountants of India.
3. Previous year figures regrouped/recast where ever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS

DILLIP KUMAR DAS
MANAGING DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR (FINANCE) & CFO

Firm Registration No: 321012E

UMAKANTA JENA
PARTNER
Membership No. 307338

KRISHNA PANDA
COMPANY SECRETARY

BHUBANESWAR
DATED : 29th May 2017



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1. SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March 2017		As at 31st March 2016	
	No. of Shares in lakhs	Amount	No. of Shares in lakhs	Amount
a) Share Capital				
Authorised Share Capital				
Equity Shares of Rs. 10/- Each	120.00	1200.00	120.00	1200.00
Issued, Subscribed & Paid up:				
6305588 Nos of Equity Shares (Previous Year- 5360000) of Rs. 10/- each fully paid up.	63.06	630.56	53.60	536.00
b) Share Warrants				
Money received against share warrants	—	35.72	—	—

a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting year :

Particulars	As at 31st March 2017		As at 31st March 2016	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Shares outstanding at the beginning of the year	5360000	53600000	5360000	53600000
Share Issued during the year	945588	9455880	—	—
Shares outstanding at the end of the year	6305588	63055880	5360000	53600000

b) Terms/rights attached to equity 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 the approvals of the shareholders in the Annual General Meeting. The Company declares and pays dividend in Indian Rupees.

c) Details of Shareholders holding more than 5% shares :

(₹ in Lakhs)

Name of Shareholders	As at 31st March 2017		As at 31st March 2016	
	No. of Shares in lakhs	% held	No. of Shares in lakhs	% held
Dillip Kumar Das	10.62	16.85%	10.57	19.72%
Industrial Designs & Services Private Limited	6.81	10.80%	6.81	12.70%
Gopal Krishan Gupta	6.30	10.00%	—	—
Galaxy Medicare Limited	5.39	8.55%	4.39	8.19%
Oricon Industries Private Limited	3.87	6.14%	1.66	3.09%
K Shiva Kumar	3.33	5.27%	3.21	5.99%
Prashant Kothari	—	—	2.68	5.00%

2. RESERVES AND SURPLUS

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
a. Capital Reserves		
State Investment Subsidy		
Opening Balance as per Last Balance Sheet	9.92	9.92
Closing Balance	9.92	9.92
b. Share Premium Account		
Opening Balance as per Last Balance Sheet	983.70	983.70
Add : Current Year Transfer	113.47	—
Closing Balance	1097.17	983.70
c. General Reserve		
Opening Balance as per Last Balance Sheet	598.96	596.02
Add : Transferred from Revaluation Reserve	4.36	2.94
Closing Balance	603.32	598.96
d. Revaluation Reserve		
Opening Balance as per Last Balance Sheet	62.75	65.69
Less : Transferred to General Reserve	(4.36)	(2.94)
Add : Revaluation of Fixed Assets during the year (Refer Note No.26 Para No. 9)	2171.90	—
Closing Balance	2230.29	62.75
e. Profit and Loss Account		
Opening Balance as per Last Balance Sheet	(640.45)	(586.09)
Add : (Loss) for the year	(304.04)	(54.36)
Closing Balance	(944.49)	(640.45)
Total	2996.21	1014.88

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3. LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
SECURED LOAN		
a. Term Loans		
From Axis Bank Limited	56.40	66.30
b. Vehicle Loan		
From Kotak Mahindra Bank	0.09	0.56
Total	56.49	66.86

Terms and Conditions Secured Term Loans as set out below :

Particulars	Term Loan Axis Bank Ltd.	Kotak Mahindra Bank Vehicle Loan
Period of maturity with reference to Balance Sheet date	59 Months	14 Month
Number of Instalments outstanding as at 31st March, 2017	59	14
Outstanding amount of Instalments as at 31st March, 2017 (Rs. In lakhs)	63.60	0.56
Rate of Interest	13.65%	10.60%

The Term Loan availed from Axis Bank Limited is secured by :

Primary Security : NIL

Collateral Security :

- i. Hypothecation charge on all the movable fixed assets, furniture/ fixtures both present and future of the company at its vadodara unit (except specific assets charged to other Banks/FIs and vehicles)
- ii. Extension of Euitable Mortgage over lease hold right of the industrial land and factory building at Plot No. 1046 to 1048, GIDC Estate, Waghodia, Vadodara, Gujarat measuring 4489.47 Sq. mtr registered in the name of the Company.

4. DEFERRED TAX LIABILITY (Net)

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
I. Deferred Tax Liability :		
Related to Fixed Assets	(224.48)	(246.46)
II. Deferred Tax Assets :		
a) Timing Difference for various items restricted on the basis of payment	15.66	5.13
b) Unabsorbed Depreciation/ Business Loss (Restricted)*	95.93	128.44
c) Total Deferred Tax Assets (a+b)	111.59	133.57
III. Deferred Tax Liability (Net) (I-II)	(112.89)	(112.89)

*The Company has been recognising in the financial statements the deferred tax assets/ liabilities, in accordance with Accounting Standard 22 "Accounting of Taxes on Income" issued by the Institute of Chartered Accountants of India. During the year, the Company has charged / (credited) to the Statement of Profit and Loss with Deferred Tax Asset (Net) of Rs NIL [Previous year- Nil] by restricting Deferred Tax Assets on Depreciation / losses carried forward to Deferred Tax Liability figure making Deferred Tax element recognition at NIL during the year.

5. LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
(a) Provision for Employee benefits		
Gratuity (Non-funded) *	21.42	20.26
Leave Encashment (Non-Funded)	2.88	2.19
Total	24.30	22.45

* Includes provision for Managing Director and Wholetime Director and has been computed on the basis of fifteen days salary for each completed year of service.

**6. SHORT TERM BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
SECURED LOAN		
a. Working Capital Loan		
From State Bank of India	489.81	591.65
From Axis Bank Limited	341.68	219.03
	831.49	810.68
UN-SECURED LOAN		
Loan From Phoneix Surgicare Private Limited	26.31	26.54
Loan From Oricon Industries Private Limited	48.16	41.00
	74.47	67.54
Total	905.96	878.22

a) **The Working Capital Loan availed from State Bank of India is secured by :**

Primary Security :

- i. Hypothecation of Company's Stock & Receivables and other current assets at Bhubaneswar unit both present and future.

Collateral Security :

- i. Equitable Mortgage over land & building at Revenue Plot No. 4768 (P), Khata No. 1076 relating to IDCO Plot No. 2(P) in Revenue Mouza-Gadakan in IDCOs Industrial Estate at Mancheswar within Village limits of Gadakan, P.S-Mancheswar, Tahsil-Bhubaneswar, Dist-Khurda, Odisha of area Acres 0.826 Leasehold Property : Lessor :IDCO, Lessee : Alfa Transformers Limited.
- ii. Equitable Mortgage over factory land & building at Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar (Acres-1.50, Constructed area of 52648 Sqft), Leasehold Property : Lessor : ICO, Lessee : Alfa Transformers Limited.
- iii. Equitable Mortgage of Company's Properties of Flat No. 7, Block -A, Lord Gunjan Apartment , Bhubaneswar , Built up area of 1470 Sq.ft and Carpet area of 1270 Sq.ft.
- iv. First charge on fixed assets of the Company at Bhubaneswar Unit (two campuses) other than Factory Land & Building and assets financed by State Bank of India, Commercial Branch, Bhubaneswar.

b) **The Working Capital Loan availed from Axis Bank Limited is secured by :**

The Term Loan availed from Axis Bank Limited is secured by :

Primary Security :

- i. Hypothecation charge on the entire Current Assets (both present and future) of Vadodara unit of the Company.

Collateral Security :

- i. Hypothecation charge on all the movable fixed assets, furniture/ fixtures both present and future of the company at its vadodara unit (except specific assets charged to other Banks/FIs and vehicles)
- ii. Extension of Euitable Mortgage over lease hold right of the industrial land and factory building at Plot No. 1046 to 1048, GIDC Estate, Waghodia, Vadodara, Gujarat measuring 4489.47 SQ. mt registered in the name of the Company.

Guarantee :

- i. Personal Guarantees given by three Directors including Managing Director.

Particulars	State Bank of India	Axis Bank Ltd.
	Cash Credit	Cash Credit
Preiod of maturity with reference to Balance Sheet date	Renewal every year	Renewal every year
Outstanding amount as at 31st March,2017 (Rs. In lakhs)	489.81	341.68
Rate of Interest	Base Rate Plus 5.25%	Base Rate Plus 4.25%
Overdue amount and Period	Nil	Nil

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7. TRADE PAYABLE

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
a) Trade Payables	465.59	421.30
b) Others	29.34	25.73
Total	494.93	447.03

7.1 Trade Payables includes Rs.62.76 lakhs (Previous Year-Rs.85.90 lakhs) due to Micro, Small and Medium Enterprises based on available information with the Company details of which are as follows :

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
Principal amount due and remaining unpaid	62.76	85.90
Interest due on above and the unpaid interest	1.21	1.76
Interest paid during the year	—	—
Payment made beyond the appointed day during the year	—	—
Interest due and payable for the period of delay	1.21	1.76
Interest accrued and remaining unpaid	1.21	1.76
Amount of further interest remaining due and payable in succeeding years.	—	—

Note: This information to be disclosed as required under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company.

8. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
(a) Current maturities of long-term debt *	10.38	9.37
(b) Unpaid dividends	1.45	3.29
(c) Creditors for Capital Goods	3.00	3.28
(d) Other Liabilities		
i. Advance from Customers	24.76	23.91
ii. Statutory Liabilities	32.14	42.81
iv. Liabilities for Expenses	16.78	23.24
v. Payable to employees	27.34	16.38
Total	115.85	122.28

* Details of Current Maturities of Long Term Debt :

a. Term Loans		
From Axis Bank Limited	9.90	8.82
b. Vehicle Loan from Bank		
From Kotak Mahindra Bank	0.48	0.55
Total	10.38	9.37

9. SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
(a) Provision for employee benefits		
Leave Encashment (Non-Funded)	1.97	1.63
Total	1.97	1.63

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017



ALFA TRANSFORMERS LIMITED

10. FIXED ASSETS

(₹ in Lakhs)

a) Fixed Assets as at 31st March, 2017

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK				
	Cost as at 31-03-2016	Additions during the year	Sale/adjustment during the year	Revaluation as at 31-03-2017 (Net)	Cost as at 31-03-2017	Up to 31-03-2016	For the Period	Transferred to Revaluation Reserve	On Sale/adjustment during the year	Up to 31-03-2017	As at 31-03-2017	As at 31-03-2016	
TANGIBLE ASSETS :													
Land	239.29	—	—	960.24	1199.53	—	—	—	—	—	1199.53	239.30	
Office Building	68.97	—	—	152.50	221.47	21.26	2.45	21.60	—	45.30	176.17	47.71	
Factory Shed	480.00	—	—	397.80	877.80	240.01	20.19	25.11	—	285.31	592.48	240.01	
Main Plant & Machinery	1223.00	10.10	2.96	680.15	1910.29	603.03	86.72	98.02	(1.54)	786.23	1124.06	619.97	
Testing Equipments	112.88	1.40	—	26.43	140.70	63.69	5.59	(0.78)	—	68.51	72.19	49.19	
Material Handling Equipments	147.38	1.37	—	43.56	192.30	87.12	7.80	(12.63)	—	82.28	110.02	60.25	
Electrical Installations	78.74	—	2.40	5.74	82.08	58.87	7.79	(32.29)	(2.34)	32.03	50.05	19.88	
Solar Energy Generation System	19.25	—	—	(3.37)	15.88	2.03	1.22	(2.19)	—	1.06	14.82	17.22	
Energy saving Devices	2.00	—	—	0.69	2.69	1.97	—	0.71	—	2.69	—	0.03	
Auxiliary Equipments	5.99	—	5.01	(0.44)	0.53	6.00	—	(0.64)	(5.01)	0.34	0.18	0.00	
Office Equipments	13.91	2.58	8.31	(1.78)	6.40	11.21	0.60	(1.92)	(7.99)	1.90	4.50	2.69	
Computers	11.23	0.41	0.16	(7.93)	3.55	9.81	0.31	(7.86)	(0.29)	1.97	1.58	1.42	
Furniture & Fixture	13.34	0.03	—	5.86	19.22	9.43	1.49	2.47	—	13.39	5.83	3.90	
Vehicle	40.08	—	5.31	(14.99)	19.78	25.65	4.54	(17.05)	(4.88)	8.26	11.53	14.42	
Motor-Cycle & Cycle	0.97	—	—	—	0.97	0.46	0.10	—	—	0.56	0.41	0.51	
Total - A	2457.02	15.88	24.15	2244.44	4693.19	1140.54	138.80	72.54	(22.05)	1329.83	3363.36	1316.50	
INTANGIBLE ASSETS :													
Technical Knowhow	9.78	—	—	—	9.78	7.15	2.14	—	—	9.29	0.49	2.64	
Software	2.60	—	0.16	—	2.44	2.08	0.01	—	0.04	2.12	0.31	0.52	
Total - B	12.38	—	0.16	—	12.22	9.23	2.15	—	0.04	11.42	0.80	3.16	
Capital Work-in-Progress	—	1.90	—	—	1.90	—	—	—	—	—	1.90	0.00	
Total - C	—	1.90	—	—	1.90	—	—	—	—	—	1.90	0.00	
TOTAL - CURRENT YEAR	2469.40	17.77	24.31	2244.44	4707.31	1149.76	140.95	72.54	(22.01)	1341.25	3366.06	1319.65	

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

10. FIXED ASSETS

(₹ in Lakhs)

a) Fixed Assets as at 31st March, 2016

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	Cost as at 31-03-2015	Additions during the year	Sale/ adjustment during the year	Cost as at 31-03-2016	Up to 31-03-2015	For the Period	Transferred to General Reserve	On Sale/ adjustment during the year	Up to 31-03-2016	As at 31-03-2016	As at 31-03-2015
TANGIBLE ASSETS :											
Land	239.30	—	—	239.30	—	—	—	—	—	239.30	239.30
Office Building	68.97	—	—	68.97	18.81	2.45	—	—	21.26	47.71	50.16
Factory Shed	480.00	—	—	480.00	226.20	13.79	—	—	239.99	240.01	253.78
Main Plant & Machinery	1227.65	1.09	5.74	1223.00	519.55	87.31	—	3.83	603.03	619.97	708.10
Testing Equipments	108.19	4.69	—	112.88	57.77	5.92	—	—	63.69	49.18	50.42
Material Handling Equipments	142.88	4.49	—	147.38	79.44	7.68	—	—	87.12	60.26	63.44
Electrical Installations	81.21	—	2.46	78.75	51.48	9.05	—	1.66	58.87	19.88	29.73
Solar Energy Generation System	19.25	—	—	19.25	0.81	1.22	—	—	2.03	17.22	18.44
Energy saving Devices	2.00	—	—	2.00	1.97	—	—	—	1.97	0.03	0.03
Auxiliary Equipments	5.99	—	—	5.99	6.00	—	—	—	6.00	(0.01)	0.00
Office Equipments	12.34	1.56	—	13.90	10.78	0.43	—	—	11.21	2.69	1.57
Computers	10.46	0.77	—	11.23	9.38	0.43	—	—	9.81	1.42	1.08
Furniture & Fixture	13.14	0.23	0.04	13.33	9.26	0.21	—	0.04	9.43	3.90	3.89
Vehicle	40.07	—	—	40.07	21.11	4.54	—	—	25.65	14.42	18.97
Motor-Cycle & Cycle	1.00	—	0.03	0.97	0.39	0.10	—	0.03	0.46	0.51	0.61
Total - A	2452.45	12.83	8.26	2457.01	1012.94	133.13	—	5.56	1140.52	1316.49	1439.52
INTANGIBLE ASSETS :											
Technical Knowhow	9.78	—	—	9.78	5.00	2.14	—	—	7.14	2.64	4.78
Software	2.29	0.31	—	2.60	2.07	0.01	—	—	2.08	0.52	0.22
Total - B	12.07	0.31	—	12.38	7.06	2.16	—	—	9.22	3.16	5.00
Capital Work-in-Progress	—	—	—	—	—	—	—	—	—	—	—
Total - C	—	—	—	—	—	—	—	—	—	—	—
TOTAL - CURRENT YEAR	2464.52	13.14	8.26	2469.39	1020.01	135.29	—	5.56	1149.73	1319.65	1444.52



ALFA TRANSFORMERS LIMITED

11. NON-CURRENT INVESTMENTS (Valued at Cost)

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
Long Term Investments : (Unquoted,at cost)		
I. Trade Investments		
a) 15,000 Equity Shares of Rs.10/- each in Taloja Conductors Pvt. Ltd. Less : Provision for permanent diminution of value	1.50 1.50 NIL	1.50 1.50 NIL
II. Other Investments		
a) Shares in Subsidiary Companies-Unquoted 1,24,200 Equity Shares of Rs. 10/- each (Previous Year-1,24,000) in Phoneix Surgicare Pvt. Limited.	12.67	12.67
b) 5000 Equity Shares of Rs.10/- each with a premium of Rs.3/- each in Utkal Infrastructure Consortium (P) Ltd.	0.65	0.65
b) National Savings Certificates (*)	0.02	0.02
Total	13.34	13.34

* Lodged with Sales Tax authorities as securities

12. LONG TERM LOANS AND ADVANCES

(Un secured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
a) Security Deposits	18.03	17.99
b) Advance Income Tax/refundable (Net of Provision)	14.99	11.46
c) Sales Tax Deposits	23.80	25.88
Total	56.82	55.33

13. INVENTORIES (*)

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
Indigenous Raw materials & Components	374.36	369.07
Imported Raw materials & Components	58.18	57.13
Semi-finished goods	398.92	257.11
Finished goods	154.58	328.28
Raw-Materials in Transit	60.49	3.04
Total	1046.53	1014.63

(*) As certified by the Management and Valued as per Accounting Policy Note No. 25 (6).

14. TRADE RECEIVABLES

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured - Considered Good	52.58	32.15
- Considered Doubtful	9.32	—
	61.90	32.15
Less: Provision for doubtful debts	9.32	—
	52.58	32.15
Trade receivables outstanding for a period less than six months from the date they are due for payment — Considered Good	540.10	479.11
	540.10	479.11
Total	592.68	511.26

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15. CASH AND BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
A) Cash and Cash Equivalents		
a) Balances with banks		
(i) In Current Account	7.13	0.99
b) Cash on hand	0.35	2.81
B) Other Bank balances		
i) In Deposits Account (#)	226.18	230.78
ii) In earmarked Account		
- Unpaid dividend account	1.45	3.29
Total	235.11	237.87
(#) Deposit account includes Margin Money kept with Bank for opening of Letter of Credit and Bank Guarantees :		
Maturing within 3 Months	—	—
Maturing between 3 and 12 Months	182.17	160.08
Maturity period more than 12 Months	44.01	70.70

16. SHORT TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
Deposit with Customs & Central Excise Authorities	13.10	8.97
Earnest Money and Security Deposits	2.44	2.44
Deposit with Sales Tax Authority	0.41	—
Advance to suppliers and staff *	14.60	15.76
Prepaid Expenses	27.95	15.61
Total	58.50	42.78
* Includes :		
a) Loans and Advances due by Directors or other officers of the Company	—	—
b) Loans and Advances due by private companies in which a director is a member.	—	—

17. OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
Interest accrued on Term Deposits	5.84	7.38
Total	5.84	7.38

18. REVENUE FROM OPERATION :

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
Sale of products		
Sales (Domestic)	2759.06	2881.28
Sale of services		
Repairing Services	95.76	136.60
Other operating revenues	19.59	4.59
Total	2874.41	3022.47
Less: Excise duty	309.11	329.39
Total	2565.30	2693.08


19. OTHER INCOME :

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
Interest Income	15.69	22.35
Foreign Exchange Fluctuations (Net)	11.46	—
Profit on Sale of Assets (Net)	0.05	0.20
Total	27.20	22.55

20. COST OF MATERIALS CONSUMED :

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
Indigenous:-		
-- Opening Stock	369.07	397.43
-- Purchases	1638.21	1780.29
	2007.28	2177.72
-- Closing Stock	374.36	369.07
Sub Total - A	1632.92	1808.65
Imported:-		
-- Opening Stock	57.13	87.63
-- Purchases	364.23	280.47
	421.36	368.10
-- Closing Stock	58.18	57.13
Sub Total-B	363.18	310.97
Total (A+B)	1996.10	2119.62

21. CHANGE IN INVENTORIES OF FINISHED GOODS & SEMI FINISHED GOODS :

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
Opening Stocks:		
-- Finished Goods	328.28	177.02
-- Stock-in- Process	257.11	215.34
	585.39	392.36
Less : Closing Stocks		
-- Finished Goods	154.58	328.28
-- Stock-in- Process	398.92	257.11
	553.50	585.39
(Accretion)/Depletion of Stocks	31.89	(193.03)

22. EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
Salaries, Wages and Incentives	167.57	118.89
Contributions to Provident Fund ,E.S.I and Gratuity *	20.23	14.06
Staff welfare expenses	0.73	0.61
Total	188.53	133.56

* Includes contribution of E.P.F and E.S.I Rs. 1.32 & Rs.0.51 lakhs respectively (Previous Year-E.P.F Rs.1.03 & E.S.I Rs. 0.42 lakhs pertaining to Contract Labour)

23. FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
Interest expenses		
Interest on Term Loans & Unsecured Loans	18.03	0.12
Interest on Working Capital Loans	110.82	114.22
Interest -Others	36.62	10.01
Other borrowing costs		
LC & BG Commission	24.12	23.86
Processing Charges	3.38	11.26
Bank Charges	3.73	5.74
Total	196.70	165.21

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24. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
A MANUFACTURING EXPENSES		
1 Job Work Charges	85.38	131.15
2 Power & Fuel	42.62	48.46
3 Testing Expenses	11.84	14.00
4 Factory & Machine Rent	2.00	15.26
5 Excise Duty on increase/(decrease) of stocks	(18.72)	14.73
Total-A	123.12	223.60
B REPAIRS AND MAINTENANCE		
1 Repairs to machinery	6.25	5.58
2 Repairs to Building	3.30	2.88
3 Repairs to Vehicles	4.94	4.81
4 Repairs to Others	1.09	1.04
Total - B	15.58	14.31
C SELLING AND DISTRIBUTION EXPENSES		
1 Selling Expenses	9.36	6.70
2 Sales Commission	8.21	7.56
3 Carriage Outward	23.18	27.87
4 Taxes and Duties	19.25	12.06
5 Bad Debts Written off	15.02	10.03
6 Penalty Deductions/Liquidated Damages	36.99	34.94
7 Provision for Doubtful Debts	9.32	—
Total - C	121.33	99.16
D ADMINISTRATIVE EXPENSES		
1 Travelling Expenses	15.13	10.75
2 Printing & Stationery	2.65	1.85
3 Insurance Charges	5.13	4.38
4 Advertisement Expenses	0.52	1.35
5 Postage and Telephone Charges	3.93	4.45
6 Auditor's Remuneration	2.00	2.00
7 Fees and Subscription	16.71	9.86
8 Legal & Professional Fees	13.16	8.11
9 Security Service Charges	13.66	14.52
10 Rent	2.87	2.39
11 General Expenses	4.82	4.78
12 Books and Periodicals	0.05	0.08
13 Meeting Expenses	1.19	0.73
14 Registrar's Fees	0.31	0.23
Total - D	82.13	65.48
E OTHER EXPENSES		
1 Foreign Exchange Fluctuations (Net)	—	7.65
2 Advances Written off	0.21	0.84
3 Prior Year Adjustment (Net)	(0.19)	(0.17)
Total-E	0.02	8.32
Total	342.18	410.87



NOTE NO- 25 :SIGNIFICANT ACCOUNTING POLICIES :

A. 1 REVENUE RECOGNITION

- i. Revenues/ Incomes and Costs/ Expenditures are generally accounted on accrual basis as they are earned or incurred.
- ii. Sales are recognized on the date of dispatch of materials to customers. Services are recognized on completion. Sales are net of Excise Duty and Value Added Tax.
- iii. Revenue recognition in respect of price escalation is carried out in the year of settlement of claims / bills.
- iv. Dividend income from investment is accounted, when the right to receive the same is established.
- v. Duty draw back and other benefits receivable on eligible export of goods manufactured are shown under "Other Income" as per rates applicable thereon.

2. FIXED ASSETS

- i. Fixed Assets other than those which have been revalued are stated at cost which includes all direct expenses including attributable borrowing cost incurred up to the date of installation of assets less accumulated depreciation (other than "Leasehold Land" where no depreciation is charged).
- ii. Revalued assets are shown at the revalued cost less accumulated depreciation as per the Accounting policy no. 3(ii).
- iii. The Company has adopted Revaluation model for property ,plant and equipment for determining the gross carrying amount. The revaluation reserve created is not available for distribution to shareholders.
- iv. Discarded fixed assets are de-capitalized and included under inventories at 5% of value of assets being estimated realizable value.
- v. The cost of fixed assets not ready for use before such date are disclosed under capital work-in-progress.

3. DEPRECIATION

- i. Depreciation on Fixed Assets (Other than revalued assets) is provided on Straight Line Method in accordance with the useful life as specified under Schedule II to the Companies Act, 2013.
- ii. Depreciation on revalued assets is calculated on their respective revalued amount on Straight Line Method over the balance useful life as determined by the valuers or the balance remaining useful life as per Schedule – II whichever is lower.
- iii. Leasehold land is not amortized since the period of lease is 99 years.
- iv. "Depreciation on revalued assets is calculated on their respective revalued amount on Straight Line Method over the balance useful life as determined by the valuers . The life assumed by the technical experts is as under :

<u>Assets</u>	<u>Estimated Useful Life</u>
Plant and Machinery	5 to 40
Testing Equipments	10 to 25
Material Handling Equipments	25 to 40
Electrical Installation	10 to 30
Auxiliary Equipments	25 to 40
Factory Building	50 to 70
Office Equipments	3 to 15
Furniture & Fixtures	5 to 20

For these classes of assets, based on technical evaluation carried out by external technical experts, the Company believes that the useful lives as given above best represent the period over which Company expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

- v. Items costing Rs. 5000/- or less are fully depreciated in the year of purchase.
- vi. Depreciation on additions to assets and on sale/ discard of assets is calculated pro-rata from the date of such additions or up to the date of such sale/ discard, as the case may be.
- vii. The charge over and above the depreciation calculated on the original cost of the revalued assets is transferred from Fixed Asset Revaluation Reserve to General Reserve and shown as a deduction from Revaluation Reserve.

4. BORROWING COST:

Borrowing costs relating to the acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete.

A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to revenue.

5. INVESTMENT

Long Term investments are carried at cost less provision, if any, for permanent diminution in value of such investments. Current investments are carried at lower of cost and market value.

6. INVENTORIES

- i. Stock of Raw Materials, Components and stores are valued at lower of cost and net realizable value. Cost of raw material is determined on weighted average method, excluding CENVAT paid on purchases. Scrap is valued at estimated realisable value.
- ii. Stock of Materials-in-Process and Finished Goods are valued at lower of cost and net realizable value. Cost excludes CENVAT paid on inputs but includes excise duty payable on completion of manufacture of the Finished Goods.

7. FOREIGN CURRENCY TRANSACTION

- i. Receipts and Payments are recorded at actual rates prevailing on the date of transaction.
- ii. Balances in the form of Current Assets and Current Liabilities (including for procurement of Fixed Assets) in foreign currency, outstanding at the close of the year, are converted (in Indian Currency) at the appropriate rates of exchange prevailing on the date of Balance Sheet and the resultant loss or gain is taken to exchange variation account which gets charged in or credited to the Profit and Loss Account.
- iii. Forward Exchange Contracts not intended for trading or speculation purpose : The premium or discount arising at the inception of forward exchange contracts is amortized as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the statement of profit and loss on the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expense for the year.

8. RESEARCH AND DEVELOPMENT

Revenue expenditure including overheads on Research and Developments are charged off as an expense through the natural heads of account in the year in which incurred. Expenditure which results in the creation of capital assets is taken to Intangible assets and amortisation is provided on such assets as applicable.

9. EMPLOYEE BENEFITS

(i) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering service are classified as short term employees benefits. Benefits such as salaries, wages, short term compensated absences, etc and the expected cost of bonus, ex-gratia are recognized in the period in which the employees render the related service.

(ii) Defined Contribution Plans.

Provident Fund, Superannuation Fund and Employees State Insurance Scheme are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employees renders the related services.

(iii) Defined Benefits Plans

Gratuity on account of services gratuity is covered under Gratuity-cum-Life Assurance Scheme of Life Insurance Corporation of India. Annual premium paid for the scheme is charged to Statement of Profit and Loss. Provision for leave encashment benefit is done on the basis of actuarial valuation.

10. LIQUIDATED DAMAGES

Liquidated damages are accounted only when finally agreed upon and settled with the parties.

11. TAXATION :

Income Tax provision comprises Current tax and Deferred Tax charge or credit. The Deferred Tax assets and Deferred Tax Liabilities are calculated by applying tax rate and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

12. IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and "Value in use" of the assets. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In case of impairment, if any depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

A previous recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

13. PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS.

- (a) The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
- (b) Liabilities contingent upon happening of future event are disclosed by way of a note in the accounts. Claims against the Company where a demand has been raised by any authority or disputed in arbitration are recognized as Contingent Liability, if contested.
- (c) Contingent assets are not recognized.
- (d) Provision is made regarding disputed statutory levies only when the appeal is decided by the Appellate Tribunal.

**NOTE NO.26 ADDITIONAL NOTES ON ACCOUNT :****1. RAW MATERIALS AND COMPONENTS CONSUMED :**

Items	2016 - 17			2015 - 16		
	Qty (MT)	Value (₹ in Lakhs)	%	Qty (MT)	Value (₹ in Lakhs)	%
INDIGENOUS :						
Conductors	134.719 MT	481.81	24	202.427 MT	494.99	23
CRGO Steel & Lamination	215.759 MT	338.32	17	289.286 MT	430.12	20
Transformer Oil	539.436KL	209.49	11	522.390KL	234.36	11
Others		600.67	30		649.20	32
Sub Total	889.914	1630.29	82	1014.103	1808.67	86
IMPORTED :						
CRGO Steel	65.147 MT	105.34	5	33.251 MT	46.13	2
AMDT Core	153.782 MT	260.47	13	149.839 MT	264.83	12
Sub Total	218.929 MT	365.81	18	183.090 MT	310.96	14
Total	1108.843	1996.10	100	1197.193	2119.63	100

2. PAYMENT TO AUDITORS: (Exclusive of Service Tax)**(₹ in Lakhs)**

SR No	Particulars	2016 - 17	2015 - 16
i.	Audit Fees	1.00	1.00
ii.	Limited Review Fees	0.45	0.45
iii.	Tax Audit Fees	0.25	0.25
iv.	In Other Capacity of Certification (etc)	0.30	0.30
	TOTAL	2.00	2.00

3. EARNING PER SHARE :**(₹ in Lakhs)**

SR No	Particulars	2016 - 17	2015 - 16
i.	Profit/(Loss) available to Equity Share Holders (Rs. In lakhs)	(304.04)	(54.36)
ii.	Weighted Average number of equity shares for Basic EPS in lakhs	63.06	53.60
iii.	Nominal Value of Equity Shares in Rs.	10.00	10.00
iv.	Basic Earning (Loss) Per Equity Shares (Rs)	(4.82)	(1.01)
v.	Dillutive Earning (Loss) Per Equity Shares (Rs) *	(4.82)	(1.01)

* In view of loss the dillutive earning (Loss) per share is treated as anti dillutive

4. CIF VALUE OF IMPORTS**(₹ in Lakhs)**

SR No	Particulars	2016 - 17	2015 - 16
i.	Raw Materials and Components	353.92	257.28

5. EXPENDITURE IN FOREIGN CURRENCY (on accrual basis)**(₹ in Lakhs)**

SR No	Particulars	2016 - 17	2015 - 16
i.	Expenditure in Foreign Currency	NIL	NIL

6 EARNING IN FOREIGN CURRENCY (on accrual basis)**(₹ in Lakhs)**

SR No	Particulars	2016 - 17	2015 - 16
i.	Export on FOB Basis (Direct)	NIL	NIL

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7. RELATED PARTY DISCLOSURES

(₹ in Lakhs)

a) Name of the related party and nature of relationship

i) Wholly owned subsidiary Company	M/s. Phoneix Surgicare Private Limited
ii) Companies in which Directors are interested.	Industrial Designs and Services (P) Ltd. Oricon Industries (P) Limited. Galaxy Medicare Limited Alfa Electricals & Company.
iii) Key Management Personnel	Dillip Kumar Das Managing Director Deepak Kumar Das Executive Director & CFO Debasis Das Executive Director Krishna Panda Company Secretary

b) Transactions with related parties

(₹ in Lakhs)

SL.NO	Nature of Transaction	Subsidiary	Companies where Directors are interested	Key Managerial Person	Total
1	Share Allotment		27.90 (0.00)		27.90 (0.00)
2	Loan Taken	26.30 (26.00)	60.00 (40.00)		60.00 (40.00)
3	Sale of Good (Income)		0.16 (1.18)		0.16 (1.18)
4	Purchase of Raw materials (Expenses)		0.86 (0.00)		0.86 (0.00)
5	Remuneration Paid (Expenses)			39.05 (31.99)	39.05 (31.99)
6	Job Work Charges (Expenses)		29.40 (56.11)		29.40 (56.11)
7	Interest on Loan (Expenses)		7.34 (1.50)		7.34 (1.50)
8	Factory Rent (Expenses)		2.00 (6.75)		2.00 (6.75)
9	Advances(given/paid)		0.00 (0.06)		0.00 (0.06)

[Amount shown in brackets reflects the previous year balance.]

8. CONTINGENT LIABILITIES & COMMITMENTS

(₹ in Lakhs)

SR No	Particulars	2016 - 17	2015 - 16
A.	Contigent Liabilities		
i.	Un expired Letters of Credit	415.11	322.29
ii	Counter Guarantees given by Company for Bank Guarantees issued	620.61	627.69
iii	Claims against the Company not acknowledged as Debt		
	a) Income Tax	17.68	17.68
	b) Sales Tax (*)	28.70	28.70
	c) Entry Tax (#)	89.85	89.85
	d) Service Tax (@)	4.01	4.01
	TOTAL	1175.96	1090.22

* Amount paid under protest against the demands amounting to Rs. 19.91 lakhs (Previous Year- Rs.19.91 lakhs) is shown under "Long-term Loans and Advances" under Note No.12.

Amount paid under protest against the demands amounting to Rs. 3.50 lakhs (Previous year- Rs. 3.50lakhs) is shown under "Long Term Loans and Advances" under Note no.12

@ Amount paid under protest against the demands amounting to Rs. 0.30 lakhs (Previous year- Rs.0.30 lakhs) is shown under "Long Term Loans and Advances" under Note no.12



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9. During the year revaluation of assets has been carried out by an independent valuer. Details of such revaluation are given below:
- Revaluation of Land-Leasehold, Buildings, Plant and Machinery, Testing Equipments, Material Handling Equipment, Electricals Installations, Solar Energy Generating System, Computers, Office Equipment, Vehicle, Furniture & Fixtures is carried out on 31-03-2017. The net increase of Rs. 21,71,90,333/- has been transferred to Revaluation Reserve.
 - Depreciated Replacement Cost Approach(DRC) methodology for the revaluation of the assets is applied as it is not possible to generally obtain the market based evidence of fair value of specialised assets being re-valued.
 - The units are going concern and accordingly the valuation of the plants has been done considering various technical factors such as technological relevance, location and condition and residual useful life factor.
 - The Plant and Machineries have been categorised as specialised equipments as those have been acquired specifically for manufacturing of transformers and have consequently very little use outside this industry.
 - The carrying cost of Plant and Machineries is the purchase price and non-refundable duties and taxes, delivery, handling and installation costs.
 - Land: open market price was adopted as the fair value for arriving at the current cost of land.

10. The Company is mainly engaged in only one product i.e Transformer, which is considered the Primary reportable business segment as per Accounting standard (AS-17) related "Segment reporting" issued by the Institute of Chartered Accountants of India. Business outside India and within India are considered to be Secondary Segment based on geographical segmentation. Details of expenses, assets and liabilities of the respective segments have not been ascertained.

(₹ in Lakhs)

Particulars of Sale of	Within India		Outside India		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Transformer	2449.95	2551.89	—	—	2449.95	2551.89
Repairing/Service Charges	95.76	136.60	—	—	95.76	136.60
Total	2545.71	2688.49	—	—	2545.71	2688.49

11. During the period 8th November, 2016 to 30th December, 2016, the Company held and transacted Specified Bank Notes (SBN) as defined in the MCA notification G.S.R. 308 (E) dated 30th March, 2017 read with notification of Government of India, in the Ministry of Finance, Department of Economic Affairs Number S.O.3407 (E) dated 8th November, 2016. Details of SBN held and transacted during the period from 8th November, 2016 to 30th December, 2016, as required by the MCA Notification given below:

Particulars	Specified Bank Notes (SBNs)	Other Denomination Notes (ODNs)	Total
Closing Cash on hand as on 08-11-2016	8,71,500	1,47,900	10,19,400
Add : Permitted Receipts	—	4,45,461	4,45,461
Less : Permitted Payments	2,21,500	3,75,629	5,97,129
Less : Amount Deposited in Bank	6,50,000	76,000	7,26,000
Closing Cash on hand as on 30-12-2016	—	1,41,732	1,41,732

12. Disclosure relating to Leave Encashment - As per Actuarial Valuation on 31st March,2017

a) Table Showing Changes in Present Value of Obligations :

Particulars	Current Year	Previous Year
Present value of obligation as at beginning of the year	3.82	3.63
(i) Acquisition Adjustments	—	—
(ii) Interest cost	0.27	0.25
(iii) Past Service cost	—	—
(iv) Current Service cost	1.45	0.54
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Benefits Paid	(0.33)	(0.90)
(viii) Actuarial gain/ loss on Obligation	(0.37)	0.30
Present value of obligation as at end of the year	4.85	3.82

b) Table Showing Expenses Recognized in Statement of Profit & Loss :

Particulars	Current Year	Previous Year
(i) Current Service Cost	1.45	0.54
(ii) Past Service Cost	—	—
(iii) Interest Cost	0.27	0.25
(iv) Expected Return on Plan Asset	—	—
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Actuarial gain/ loss on Obligation	(0.37)	0.30
Expenses Recognized in Statement of Profit and Loss Account	1.36	1.09

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c) Table Showing Actuarial Assumptions :

Particulars	Current Year	Previous Year
(i) Mortality Table	IALM (2006-2008)	IALM (2006-2008)
(ii) Superannuation Age	ULTIMATE 58.00	ULTIMATE 58.00
(iii) Early Retirement & Disablement	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29
(iv) Discount Rate	7.50%	8.00 %
(v) Inflation Rate	7.00%	7.00 %
(vi) Return on Asset	—	—
(vii) Remaining Working Life	15 years	14 years
(viii) Formula used	Projected Unit Credit Method	Projected Unit Credit Method

13. Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, (Pension and Group Scheme Department) for the year ended 31st March, 2017 have been made as below :

- i) In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees.
- ii) The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). Under the plan, the settlement obligation remains with the Company, although the Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the Company.
- iii) Annual premium payable to LIC amounting to Rs. 0.10 lakhs (Previous Year- Rs. 1.00lakhs) have been shown under "Employee Benefit Expenses" in Schedule-22.
- iv) Disclosures as required by AS-15 (Revised) are made as per the details submitted by LIC which are given below :

a) Assumptions

Particulars	31-03-2017	31-03-2016
Discount Rate	8%	8%
Salary Escalation	7%	7%

b) Table Showing changes in present value of Obligation

Particulars	31-03-2017	31-03-2016
Present value of obligation as at beginning of the year	13.76	12.81
(i) Interest cost	1.10	1.02
(ii) Current Service cost	1.31	1.26
(iii) Benefits Paid	(1.07)	(1.97)
(iv) Actuarial gain/(loss) on obligation	0.17	0.65
Present value of obligation as at end of the year	15.27	13.76

c) Table showing changes in the fair value of plan assets

Particulars	31-03-2017	31-03-2016
Fair value of plan assets at beginning of year	14.59	14.79
(i) Actual returns on plan assets	1.22	1.29
(ii) Contributions	2.31	0.49
(iii) Benefits Paid	(1.07)	(1.97)
(iv) Actuarial gain/(loss) on plan assets	NIL	NIL
Fair value of plan assets at end of year	17.05	14.59

d) Table Showing fair value of plan assets

Particulars	31-03-2017	31-03-2016
(i) Fair value of plan assets at beginning of year	14.59	14.79
(ii) Actual return of plan assets	1.22	1.29
(iii) Contributions	2.31	0.49
(iv) Benefit Paid	(1.07)	(1.97)
(v) Fair value of plan assets at the end of year	17.05	14.59
(vi) Funded status	1.79	0.83
(vii) Excess of Actual over estimated return on plan assets	NIL	NIL

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e) Actuarial Gain/Loss recognised as on

Particulars	31-03-2017	31-03-2016
(i) Actuarial (gain)/loss on obligations	(0.17)	(0.65)
(ii) Actuarial (gain)/loss for the year- plan assets	NIL	NIL
(iii) Total Actuarial (gain)/loss	0.17	0.65
(iv) Actuarial (gain)/loss recognized in the year	0.17	0.65

f) The amounts to be recognized in the balance sheet and statements of profit and loss account

Particulars	31-03-2017	31-03-2016
(i) Present value of obligation at the end of year	15.27	13.76
(ii) Fair value of plan assets as at the end of the year	17.05	14.59
(iii) Fund status	1.79	0.83
(iv) Net asset/(liability) recognized in balance sheet	1.79	0.83

g) Expenses Recognized in statement of Profit and Loss

Particulars	31-03-2017	31-03-2016
(i) Current Service Cost	1.31	1.25
(ii) Interest Cost	1.10	1.02
(iii) Expected return on plan assets	(1.22)	(1.29)
(iv) Net Actuarial (gain)/ loss recognized in the year	0.17	0.65
(v) Expenses recognized in statement of Profit and loss	1.35	1.64

14. Trade Receivables, deposits and advance to parties include some old balances pending reconciliation/ adjustment/ confirmation. The management feels that there will not be any material impact of the same in the accounts.

15. In terms of Accounting Policy Note No. 25 (12), the Company assessed the Cash Generating Unit for Impairment Test using a discount rate of 8% and did not find any asset that requires a provision for impairment.

16. Operating Cycle is considered to be twelve months period.

17. Previous Year's Figures have been regrouped and re arranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS

DILLIP KUMAR DAS
MANAGING DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR (FINANCE) & CFO

Firm Registration No: 321012E

UMAKANTA JENA
PARTNER
Membership No. 307338

KRISHNA PANDA
COMPANY SECRETARY

BHUBANESWAR
DATED : 29th May 2017

INDEPENDENT AUDITORS' REPORT

To the Members of Alfa Transformers Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Alfa Transformers Limited ("hereinafter referred to as the Holding Company") and its subsidiary Company incorporated in India (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at 31st March 2017, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its subsidiary company in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements



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that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give 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 of the consolidated state of affairs of the Group, as at March 31, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statement of the subsidiary whose financial statements reflect total assets of Rs.27.61 Lakhs as at 31st March 2017, total revenue of Rs.0.09 Lakhs, net loss of Rs. 0.15 Lakhs and net cash inflows amounting to Rs. 0.04 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The financial statements of the subsidiary have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that :

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained relating to the preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

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- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary company, incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Group-Refer Para no-8 of Note-26 to the consolidated financial statements.
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has not been any delay in transferring amounts, required to be transferred, to the Investor Education and protection fund by the Holding company and its subsidiary company.
 - iv. The Group have provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Holding Company and its subsidiary as produced to us by the Management – Refer Para no-11 of Note-26 to the consolidated financial statements.

For **A. K. SABAT & CO.**,
Chartered Accountants
Firm Registration No: 321012E

(UMAKANTA JENA)
PARTNER
Membership No. 307338

Bhubaneswar
Date : 29th May, 2017



ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Annexure- A referred to in paragraph (f) of the Report on Other Legal and Regulatory Requirements Paragraph of our Report of even date to the members of Alfa Transformers Limited on the consolidated financial statements for the year ended March 31, 2017

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Alfa Transformers Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, and its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

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Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Consolidated Financial Statements Opinion

In our opinion, the group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the subsidiary company, is based on the corresponding report of the auditor of the subsidiary company incorporated in India.

For **A. K. SABAT & CO.**,
Chartered Accountants
Firm Registration No: 321012E

(UMAKANTA JENA)
PARTNER
Membership No. 307338

Bhubaneswar
Date : 29th May, 2017



CONSOLIDATED BALANCE SHEET AS AT 31st March, 2017

(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2017		As at 31st March 2016	
I. EQUITY AND LIABILITIES					
1 Shareholders' Funds					
(a) Share Capital	1(a)	630.56		536.00	
(b) Reserves and Surplus	2	3010.97		1029.80	
(c) Money Received against share warrants	1(b)	35.72		—	
			3677.25		1565.80
2 Non-Current Liabilities					
(a) Long-Term Borrowings	3	56.49		66.86	
(b) Deferred Tax Liabilities (Net)	4	112.89		112.89	
(c) Long-Term Provisions	5	24.30		22.45	
			193.68		202.20
3 Current Liabilities					
(a) Short-Term Borrowings	6	879.65		851.68	
(b) Trade Payables	7	494.93		447.03	
(c) Other Current Liabilities	8	116.04		122.50	
(d) Short-Term Provisions	9	1.97		1.63	
			1492.59		1422.84
TOTAL			5363.52		3190.84
II. ASSETS					
1 Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	10	3363.36		1316.49	
(ii) Intangible Assets	10	0.80		3.16	
(iii) Capital Work-in-Progress	10	1.90		---	
(b) Non-Current Investments	11	0.67		0.67	
(c) Long-Term Loans and Advances	12	56.82		55.33	
			3423.55		1375.65
2 Current assets					
(a) Inventories	13	1046.53		1014.63	
(b) Trade Receivables	14	592.68		511.26	
(c) Cash and Cash equivalents	15	236.42		239.14	
(d) Short-Term Loans and Advances	16	58.50		42.78	
(e) Other Current Assets	17	5.84		7.38	
			1939.97		1815.19
TOTAL			5363.52		3190.84
SIGNIFICANT ACCOUNTING POLICIES	25				
ADDITIONAL NOTES ON ACCOUNTS	26				

THE NOTES REFERRED ABOVE FORM PART OF FINANCIAL STATEMENTS.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS
Firm Registration No: 321012E

DILLIP KUMAR DAS
MANAGING DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR (FINANCE) & CFO

UMAKANTA JENA
PARTNER
Membership No. 307338
BHUBANESWAR
DATED : 29th May 2017

KRISHNA PANDA
COMPANY SECRETARY

Annual Report 2017
CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2017

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March,2017	For the year ended 31st March,2016
I. Revenue from Operations	18	2565.39	2693.08
II. Other Income	19	27.20	22.55
III. Total Revenue (I + II)		2592.50	2715.63
IV. EXPENDITURE :			
Cost of Materials Consumed	20	1996.10	2119.63
Changes in Inventories of Finished Goods & Semi-Finished Goods	21	31.89	(193.03)
Employee Benefits Expenses	22	188.53	133.56
Finance Costs	23	196.74	165.23
Depreciation and Amortization expense	10	140.95	135.28
Other Expenses	24	342.39	411.11
Total Expenses		2896.60	2771.79
V. Profit/(Loss) Before Exceptional and Extraordinary Items and Tax (III-IV)		(304.01)	(55.06)
VI. Exceptional Items		—	—
VII. Profit/(Loss) Before Extraordinary Items and Tax (V - VI)		(304.01)	(56.06)
VIII. Extraordinary Items		—	—
IX. Profit/(Loss) Before Tax (VII- VIII)		(304.01)	(56.06)
X Tax Expenses:			
(1) Current Tax		—	—
(2) Income Tax earlier year		(0.19)	1.53
(3) Deferred Tax Assets/(Liabilities) [Net]		—	—
XI Profit/(Loss) for the period (IX-X)		(304.20)	(54.53)
XII Earnings Per Equity Share (of face value ₹ 10/- each)			
(1) Basic & Diluted (in ₹)		(4.82)	(1.02)
(In the view of loss the EPS is treated as anti-dillutive)			
SIGNIFICANT ACCOUNTING POLICIES	25		
ADDITIONAL NOTES ON ACCOUNTS	26		

THE NOTES REFERRED ABOVE FORM PART OF FINANCIAL STATEMENTS.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS
Firm Registration No: 321012E

DILLIP KUMAR DAS
MANAGING DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR (FINANCE) & CFO

UMAKANTA JENA
PARTNER
Membership No. 307338
BHUBANESWAR
DATED : 29th May 2017

KRISHNA PANDA
COMPANY SECRETARY



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in Lakhs)

PARTICULARS	Year Ended 31-03-2017	Year Ended 31-03-2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Interest, Taxes & Extraordinary Items	(107.29)	109.12
Add :		
Depreciation	140.95	135.29
Bad Debts Written off/Provisions & Liquidated Damages etc.	61.32	45.81
Written off of Discarded Assets	2.01	—
Long Term Provisions	1.84	—
	98.83	290.22
Less :		
Interest Income	15.69	24.35
Foreign Exchange Gain/ (Loss) (Net)	11.46	0.45
Profit/ (Loss) on Sale of Assets & Discarded (Net)	0.05	0.20
Dividend Receipt	0.04	—
Balances written back	1.88	1.54
	29.12	26.54
Operating Profit / (Loss) before Working Capital Changes	69.71	263.68
Adjustment for;		
Inventories- Decrease/(Increase)	(31.91)	(135.47)
Trade & Other Receivables- Decrease/(Increase)	(142.75)	9.18
Short Term Loans and Advances	(15.47)	—
Other Current Assets	2.88	—
Trade Payables & Provisions- Decrease/ (Increase)	59.32	(240.64)
Short Term Borrowings	27.75	—
Other Current Liabilities	(6.19)	—
Short Term Provisions	0.32	---
Cash Generated From Operations	(36.35)	(103.25)
Less: Income Tax(Paid)/Refunded	(3.53)	7.04
NET CASH FLOW FROM OPERATING ACTIVITIES	(39.88)	(96.21)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions of Fixed Assets and Capital Work-in-Progress	(17.77)	(13.14)
Proceeds on Sale of Fixed Assets	0.48	—
Interest Received	15.69	24.35
Short Term Loans & Advances	2.04	24.04
Dividend Receipt	0.04	—
(Increase)/ Decrease in Fixed Deposit	4.60	(44.10)
NET CASH FLOW FROM INVESTING ACTIVITIES	5.08	(8.85)

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CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in Lakhs)

PARTICULARS	Year Ended 31-03-2017	Year Ended 31-03-2016
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase/ (decrease) in secured borrowings	(10.38)	265.58
Payment of Interest	(196.69)	(164.95)
Decrease in Unpaid Dividend Deposit Account	1.84	—
Proceeds from Issue of Share Capital	243.75	—
NET CASH FLOW FROM FINANCING ACTIVITIES	38.52	100.63
Net Increase in cash and cash equivalents(A+B+C)	3.72	(4.43)
Cash and cash equivalents as on 31-03-2016	5.06	9.49
CASH & CASH EQUIVALENTS AS ON 31-03-2017	8.78	5.06
Cash and Cash Equivalents comprises		
-- Cash	0.35	2.81
-- Balance with Schedule Banks	8.43	2.25
	8.78	5.06

Note :

1. All figures in brackets are outflow of cash.
2. Cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3 issued by the Institute of Chartered Accountants of India.
3. Previous year figures regrouped/recast where ever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS

DILLIP KUMAR DAS
MANAGING DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR (FINANCE) & CFO

Firm Registration No: 321012E

UMAKANTA JENA
PARTNER

Membership No. 307338

KRISHNA PANDA
COMPANY SECRETARY

BHUBANESWAR

DATED : 29th May 2017



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1. SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March 2017		As at 31st March 2016	
	No. of Shares in lakhs	Amount	No. of Shares in lakhs	Amount
a) Share Capital				
Authorised Share Capital				
Equity Shares of Rs. 10/- Each	120.00	1200.00	120.00	1200.00
Issued, Subscribed & Paid up:				
6305588 Nos of Equity Shares (Previous Year- 5360000) of Rs. 10/- each fully paid up.	63.06	630.56	53.60	536.00
b) Share Warrants				
Money received against share warrants	—	35.72	—	—

a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting year :

Particulars	As at 31st March 2017		As at 31st March 2016	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Shares outstanding at the beginning of the year	5360000	53600000	5360000	53600000
Share Issued during the year	945588	9455880	—	—
Shares outstanding at the end of the year	6305588	63055880	5360000	53600000

b) Terms/rights attached to equity 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 the approvals of the shareholders in the Annual General Meeting. The Company declares and pays dividend in Indian Rupees.

c) Details of Shareholders holding more than 5% shares :

(₹ in Lakhs)

Name of Shareholders	As at 31st March 2017		As at 31st March 2016	
	No. of Shares in lakhs	% held	No. of Shares in lakhs	% held
Dillip Kumar Das	10.62	16.85%	10.57	19.72%
Industrial Designs & Services Private Limited	6.81	10.80%	6.81	12.70%
Gopal Krishan Gupta	6.30	10.00%	—	—
Galaxy Medicare Limited	5.39	8.55%	4.39	8.19%
Oricon Industries Private Limited	3.87	6.14%	1.66	3.09%
K Shiva Kumar	3.33	5.27%	3.21	5.99%
Prashant Kothari	—	—	2.68	5.00%

2. RESERVES AND SURPLUS

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
a. Capital Reserves		
State Investment Subsidy		
Opening Balance as per Last Balance Sheet	9.92	9.92
Closing Balance	9.92	9.92
b. Share Premium Account		
Opening Balance as per Last Balance Sheet	983.70	983.70
Add : Current Year Transfer	113.47	—
Closing Balance	1097.17	983.70
c. General Reserve		
Opening Balance as per Last Balance Sheet	608.96	602.02
Add : Transferred from Revaluation Reserve	4.36	2.94
Closing Balance	613.32	608.96
d. Revaluation Reserve		
Opening Balance as per Last Balance Sheet	62.75	65.69
Less : Transferred to General Reserve	(4.36)	(2.94)
Add : Revaluation of Fixed Assets during the year (Refer Note No.26 Para No. 9)	2171.90	—
Closing Balance	2230.29	62.75
e. Profit and Loss Account		
Opening Balance as per Last Balance Sheet	(635.53)	(581.00)
Add : (Loss) for the year	(304.20)	(54.53)
Closing Balance	(939.73)	(635.53)
Total	3010.97	1029.80

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CONSOLIDATED FINANCIAL STATEMENTS

3. LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
SECURED LOAN		
a. Term Loans		
From Axis Bank Limited	56.40	66.30
b. Vehicle Loan		
From Kotak Mahindra Bank	0.09	0.56
Total	56.49	66.86

Terms and Conditions Secured Term Loans as set out below :

Particulars	Term Loan Axis Bank Ltd.	Kotak Mahindra Bank Vehicle Loan
Period of maturity with reference to Balance Sheet date	59 Months	14 Month
Number of Instalments outstanding as at 31st March, 2017	59	14
Outstanding amount of Instalments as at 31st March,2017 (Rs. In lakhs)	63.60	0.56
Rate of Interest	13.65%	10.60%

The Term Loan availed from Axis Bank Limited is secured by :

Primary Security : NIL

Collateral Security :

- i. Hypothecation charge on all the movable fixed assets, furniture/ fixtures both present and future of the company at its vadodara unit (except specific assets charged to other Banks/FIs and vehicles)
- ii. Extension of Euitable Mortgage over lease hold right of the industrial land and factory building at Plot No. 1046 to 1048, GIDC Estate, Waghodia, Vadodara, Gujarat measuring 4489.47 Sq. mtr registered in the name of the Company.

Guarantee :

Personal Guarantees given by three Directors including Managing Director.

4. DEFERRED TAX LIABILITY (Net)

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
I. Deferred Tax Liability :		
Related to Fixed Assets	(224.48)	(246.46)
	(224.48)	(246.46)
II. Deferred Tax Assets :		
a) Timing Difference for various items restricted on the basis of payment	15.66	5.13
b) Unabsorbed Depreciation/ Business Loss (Restricted)*	95.93	128.44
c) Total Deferred Tax Assets (a+b+c)	111.59	133.57
III. Deferred Tax Liability (Net) (I-II)	(112.89)	(112.89)

*The Company has been recognising in the financial statements the deferred tax assets/ liabilities, in accordance with Accounting Standard 22 "Accounting of Taxes on Income" issued by the Institute of Chartered Accountants of India. During the year, the Company has charged/ (credited) to the Statement of Profit and Loss with Deferred Tax Asset (Net) of Rs NIL [Previous year- Nil] by restricting Deferred Tax Assets on Depreciation /losses carried forward to Deferred Tax Liability figure making Deferred Tax element recognition at NIL during the year.

5. LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
(a) Provision for Employee benefits		
Gratuity (Non-funded) *	21.42	20.26
Leave Encashment (Non-Funded)	2.88	2.19
Total	24.30	22.45

* Includes provision for Managing Director and Wholetime Director and has been computed on the basis of fifteen days salary for each completed year of service.



6. SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
SECURED LOAN		
a. Working Capital Loan		
From State Bank of India	489.81	591.65
From Axis Bank Limited	341.68	219.03
	831.49	810.68
UN-SECURED LOAN		
Loan From Oricon Industries Private Limited	48.16	41.00
	48.16	41.00
Total	879.65	851.68

a) The Working Capital Loan availed from State Bank of India is secured by :

Primary Security :

- i. Hypothecation of Company's Stock & Receivables and other current assets at Bhubaneswar unit both present and future.

Collateral Security :

- i. Equitable Mortgage over land & building at Revenue Plot No. 4768 (P), Khata No. 1076 relating to IDCO Plot No. 2(P) in Revenue Mouza-Gadakan in IDCOs Industrial Estate at Mancheswar within Village limits of Gadakan, P.S-Mancheswar, Tahsil-Bhubaneswar, Dist-Khurda, Odisha of area Acres 0.826 Leasehold Property : Lessor :IDCO, Lessee : Alfa Transformers Limited.
- ii. Equitable Mortgage over factory land & building at Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar (Acres-1.50, Constructed area of 52648 Sqft), Leasehold Property : Lessor : ICO, Lessee : Alfa Transformers Limited.
- iii. Equitable Mortgage of Company's Properties of Flat No. 7, Block -A, Lord Gunjan Apartment , Bhubaneswar , Built up area of 1470 Sq.ft and Carpet area of 1270 Sq.ft.
- iv. First charge on fixed assets of the Company at Bhubaneswar Unit (two campuses) other than Factory Land & Building and assets financed by State Bank of India, Commercial Branch, Bhubaneswar.

b) The Working Capital Loan availed from Axis Bank Limited is secured by :

The Term Loan availed from Axis Bank Limited is secured by :

Primary Security :

- i. Hypothecation charge on the entire Current Assets (both present and future) of Vadodara unit of the Company.

Collateral Security :

- i. Hypothecation charge on all the movable fixed assets, furniture/ fixtures both present and future of the company at its vadodara unit (except specific assets charged to other Banks/FIs and vehicles)
- ii. Extension of Euitable Mortgage over lease hold right of the industrial land and factory building at Plot No. 1046 to 1048, GIDC Estate, Waghodia, Vadodara, Gujarat measuring 4489.47 SQ. mt registered in the name of the Company.

Guarantee :

- i. Personal Guarantees given by three Directors including Managing Director.

Particulars	State Bank of India	Axis Bank Ltd.
	Cash Credit	Cash Credit
Period of maturity with reference to Balance Sheet date	Renewal every year	Renewal every year
Outstanding amount as at 31st March,2017	489.81	341.68
Rate of Interest	Base Rate Plus 5.25%	Base Rate Plus 4.25%
Overdue amount and Period	Nil	Nil

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CONSOLIDATED FINANCIAL STATEMENTS

7. TRADE PAYABLE

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
a) Trade Payables	465.59	421.30
b) Others	29.34	25.73
Total	494.93	447.03

7.1 Trade Payables includes Rs.62.76 lakhs (Previous Year-Rs.85.90 lakhs) due to Micro, Small and Medium Enterprises based on available information with the Company details of which are as follows :

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
Principal amount due and remaining unpaid	62.76	85.90
Interest due on above and the unpaid interest	1.21	1.76
Interest paid during the year	—	—
Payment made beyond the appointed day during the year	—	—
Interest due and payable for the period of delay	1.21	1.76
Interest accrued and remaining unpaid	1.21	1.76
Amount of further interest remaining due and payable in succeeding years.	—	—

Note: This information to be disclosed as required under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company.

8. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
(a) Current maturities of long-term debt *	10.38	9.37
(b) Unpaid dividends	1.45	3.29
(c) Creditors for Capital Goods	3.00	3.28
(d) Other Liabilities		
i. Advance from Customers	24.76	23.91
ii. Statutory Liabilities	32.14	42.81
iv. Liabilities for Expenses	16.97	23.46
v. Payable to employees	27.34	16.38
Total	116.04	122.50

*** Details of Current Maturities of Long Term Debt :**

a. Term Loans		
From Axis Bank Limited	9.90	8.82
b. Vehicle Loan from Bank		
From Kotak Mahindra Bank	0.48	0.55
Total	10.38	9.37

9. SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
(a) Provision for employee benefits		
Leave Encashment (Non-Funded)	1.97	1.63
Total	1.97	1.63



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

10. FIXED ASSETS

(₹ in Lakhs)

a) Fixed Assets as at 31st March, 2017

DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK				
	Cost as at 31-03-2016	Additions during the year	Sale/adjustment during the year	Revaluation as at 31-03-2017 (Net)	Cost as at 31-03-2017	Up to 31-03-2016	For the Period	Transferred to Revaluation Reserve	On Sale/adjustment during the year	Up to 31-03-2017	As at 31-03-2017	As at 31-03-2016
TANGIBLE ASSETS :												
Land	239.29	—	—	960.24	1199.53	—	—	—	—	—	1199.53	239.30
Office Building	68.97	—	—	152.50	221.47	21.26	2.45	21.60	—	45.30	176.17	47.71
Factory Shed	480.00	—	—	397.80	877.80	240.01	20.19	25.11	—	285.31	592.48	240.01
Main Plant & Machinery	1223.00	10.10	2.96	680.15	1910.29	603.03	86.72	98.02	(1.54)	786.23	1124.06	619.97
Testing Equipments	112.88	1.40	—	26.43	140.70	63.69	5.59	(0.78)	—	68.51	72.19	49.19
Material Handling Equipments	147.38	1.37	—	43.56	192.30	87.12	7.80	(12.63)	—	82.28	110.02	60.25
Electrical Installations	78.74	—	2.40	5.74	82.08	58.87	7.79	(32.29)	(2.34)	32.03	50.05	19.88
Solar Energy Generation System	19.25	—	—	(3.37)	15.88	2.03	1.22	(2.19)	—	1.06	14.82	17.22
Energy saving Devices	2.00	—	—	0.69	2.69	1.97	—	0.71	—	2.69	—	0.03
Auxiliary Equipments	5.99	—	5.01	(0.44)	0.53	6.00	—	(0.64)	(5.01)	0.34	0.18	0.00
Office Equipments	13.91	2.58	8.31	(1.78)	6.40	11.21	0.60	(1.92)	(7.99)	1.90	4.50	2.69
Computers	11.23	0.41	0.16	(7.93)	3.55	9.81	0.31	(7.86)	(0.29)	1.97	1.58	1.42
Furniture & Fixture	13.34	0.03	—	5.86	19.22	9.43	1.49	2.47	—	13.39	5.83	3.90
Vehicle	40.08	—	5.31	(14.99)	19.78	25.65	4.54	(17.05)	(4.88)	8.26	11.53	14.42
Motor-Cycle & Cycle	0.97	—	—	—	0.97	0.46	0.10	—	—	0.56	0.41	0.51
Total - A	2457.02	15.88	24.15	2244.44	4693.19	1140.54	138.80	72.54	(22.05)	1329.83	3363.36	1316.50
INTANGIBLE ASSETS :												
Technical Knowhow	9.78	—	—	—	9.78	7.15	2.14	—	—	9.29	0.49	2.64
Software	2.60	—	0.16	—	2.44	2.08	0.01	—	0.04	2.12	0.31	0.52
Total - B	12.38	—	0.16	—	12.22	9.23	2.15	—	0.04	11.42	0.80	3.16
Capital Work-in-Progress	—	1.90	—	—	1.90	—	—	—	—	—	1.90	0.00
Total - C	—	1.90	—	—	1.90	—	—	—	—	—	1.90	0.00
TOTAL - CURRENT YEAR	2469.40	17.77	24.31	2244.44	4707.31	1149.76	140.95	72.54	(22.01)	1341.25	3366.06	1319.65

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

10. FIXED ASSETS

(₹ in Lakhs)

a) Fixed Assets as at 31st March, 2016

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	Cost as at 31-03-2015	Additions during the year	Sale/adjustment during the year	Cost as at 31-03-2016	Up to 31-03-2015	For the Period	Transferred to General Reserve	On Sale/adjustment during the year	Up to 31-03-2016	As at 31-03-2016	As at 31-03-2015
TANGIBLE ASSETS :											
Land	239.30	—	—	239.30	—	—	—	—	—	239.30	239.30
Office Building	68.97	—	—	68.97	18.81	2.45	—	—	21.26	47.71	50.16
Factory Shed	480.00	—	—	480.00	226.20	13.79	—	—	239.99	240.01	253.78
Main Plant & Machinery	1227.65	1.09	5.74	1223.00	519.55	87.31	—	3.83	603.03	619.97	708.10
Testing Equipments	108.19	4.69	—	112.88	57.77	5.92	—	—	63.69	49.18	50.42
Material Handling Equipments	142.88	4.49	—	147.38	79.44	7.68	—	—	87.12	60.26	63.44
Electrical Installations	81.21	—	2.46	78.75	51.48	9.05	—	1.66	58.87	19.88	29.73
Solar Energy Generation System	19.25	—	—	19.25	0.81	1.22	—	—	2.03	17.22	18.44
Energy saving Devices	2.00	—	—	2.00	1.97	—	—	—	1.97	0.03	0.03
Auxiliary Equipments	5.99	—	—	5.99	6.00	—	—	—	6.00	(0.01)	0.00
Office Equipments	12.34	1.56	—	13.90	10.78	0.43	—	—	11.21	2.69	1.57
Computers	10.46	0.77	—	11.23	9.38	0.43	—	—	9.81	1.42	1.08
Furniture & Fixture	13.14	0.23	0.04	13.33	9.26	0.21	—	0.04	9.43	3.90	3.89
Vehicle	40.07	—	—	40.07	21.11	4.54	—	—	25.65	14.42	18.97
Motor-Cycle & Cycle	1.00	—	0.03	0.97	0.39	0.10	—	0.03	0.46	0.51	0.61
Total - A	2452.45	12.83	8.26	2457.01	1012.94	133.13	—	5.56	1140.52	1316.49	1439.52
INTANGIBLE ASSETS :											
Technical Knowhow	9.78	—	—	9.78	5.00	2.14	—	—	7.14	2.64	4.78
Software	2.29	0.31	—	2.60	2.07	0.01	—	—	2.08	0.52	0.22
Total - B	12.07	0.31	—	12.38	7.06	2.16	—	—	9.22	3.16	5.00
Capital Work-in-Progress	—	—	—	—	—	—	—	—	—	—	—
Total - C	—	—	—	—	—	—	—	—	—	—	—
TOTAL - CURRENT YEAR	2464.52	13.14	8.26	2469.39	1020.01	135.29	—	5.56	1149.73	1319.65	1444.52


11. NON-CURRENT INVESTMENTS (Valued at Cost)
(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
Long Term Investments : (Unquoted,at cost)		
I. Trade Investments		
a) 15,000 Equity Shares of Rs.10/- each in Taloja Conductors Pvt. Ltd. Less : Provision for permanent diminution of value	1.50	1.50
	1.50	1.50
	NIL	NIL
II. Other Investments		
a) 5000 Equity Shares of Rs.10/- each with a premium of Rs.3/- each in Utkal Infrastructure Consortium (P) Ltd.	0.65	0.65
b) National Savings Certificates (*)	0.02	0.02
Total	0.67	0.67

* Lodged with Sales Tax authorities as securities

12. LONG TERM LOANS AND ADVANCES

(Un secured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
a) Security Deposits	18.03	17.99
b) Advance Income Tax/refundable (Net of Provision)	14.99	11.46
c) Sales Tax Deposits	23.80	25.88
Total	56.82	55.33

13. INVENTORIES (*)
(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
Indigenous Raw materials & Components	374.36	369.07
Imported Raw materials & Components	58.18	57.13
Semi-finished goods	398.92	257.11
Finished goods	154.58	328.28
Raw-Materials in Transit	60.49	3.04
Total	1046.53	1014.63

(*) As certified by the Management and Valued as per Accounting Policy Note No. 25 (6).

14. TRADE RECEIVABLES

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured - Considered Good	52.58	32.15
- Considered Doubtful	9.32	—
	61.90	32.15
Less: Provision for doubtful debts	9.32	—
	52.58	32.15
Trade receivables outstanding for a period less than six months from the date they are due for payment — Considered Good	540.10	479.11
	540.10	479.11
Total	592.68	511.26

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15. CASH AND BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
A) Cash and Cash Equivalents		
a) Balances with banks		
(i) In Current Account	7.15	1.07
b) Cash on hand	0.35	2.81
B) Other Bank balances		
i) In Deposits Account (#)	227.47	231.97
ii) In earmarked Account		
- Unpaid dividend account	1.45	3.29
Total	236.42	239.14
(#) Deposit account includes Margin Money kept with Bank for opening of Letter of Credit and Bank Guarantees :		
Maturing within 3 Months	—	—
Maturing between 3 and 12 Months	183.46	161.27
Maturity period more than 12 Months	44.01	70.70

16. SHORT TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
Deposit with Customs & Central Excise Authorities	13.10	8.97
Earnest Money and Security Deposits	2.44	2.44
Deposit with Sales Tax Authority	0.41	—
Advance to suppliers and staff *	14.60	15.76
Prepaid Expenses	27.95	15.61
Total	58.50	42.78
* Includes :		
a) Loans and Advances due by Directors or other officers of the Company	—	—
b) Loans and Advances due by private companies in which a director is a member.	—	—

17. OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March 2017	As at 31st March 2016
Interest accrued on Term Deposits	5.84	7.38
Total	5.84	7.38

18. REVENUE FROM OPERATION :

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
Sale of products		
Sales (Domestic)	2759.06	2881.28
Sale of services		
Repairing Services	95.76	136.60
Other operating revenues	19.68	4.59
Total	2874.41	3022.47
Less: Excise duty	309.11	329.39
Total	2565.39	2693.08


19. OTHER INCOME :

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
Interest Income	15.69	22.45
Foreign Exchange Fluctuations (Net)	11.46	—
Profit on Sale of Assets (Net)	0.05	0.20
Total	27.20	22.65

20. COST OF MATERIALS CONSUMED :

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
Indigenous:-		
-- Opening Stock	369.07	397.43
-- Purchases	1638.21	1780.29
	2007.28	2177.72
-- Closing Stock	374.36	369.07
Sub Total - A	1632.92	1808.65
Imported:-		
-- Opening Stock	57.13	87.63
-- Purchases	364.23	280.47
	421.36	368.10
-- Closing Stock	58.18	57.13
Sub Total-B	363.18	310.97
Total (A+B)	1996.10	2119.63

21. CHANGE IN INVENTORIES OF FINISHED GOODS & SEMI FINISHED GOODS :

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
Opening Stocks:		
-- Finished Goods	328.28	177.02
-- Stock-in- Process	257.11	215.34
	585.39	392.36
Less : Closing Stocks		
-- Finished Goods	154.58	328.28
-- Stock-in- Process	398.92	257.11
	553.50	585.39
(Accretion)/Depletion of Stocks	31.89	(193.03)

22. EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
Salaries, Wages and Incentives	167.57	118.89
Contributions to Provident Fund ,E.S.I and Gratuity *	20.23	14.06
Staff welfare expenses	0.73	0.61
Total	188.53	133.56

* Includes contribution of E.P.F and E.S.I Rs. 1.32 & Rs.0.51 lakhs respectively (Previous Year-E.P.F Rs.1.03 & E.S.I Rs. 0.42 lakhs pertaining to Contract Labour)

23. FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
Interest expenses		
Interest on Term Loans & Unsecured Loans	18.03	0.12
Interest on Working Capital Loans	110.82	114.22
Interest -Others	36.62	10.01
Other borrowing costs		
LC & BG Commission	24.12	23.86
Processing Charges	3.38	11.26
Bank Charges	3.77	5.76
Total	196.74	165.23

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24. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Period Ended 31st March, 2017	For the Year Ended 31st March, 2016
A MANUFACTURING EXPENSES		
1 Job Work Charges	85.38	131.15
2 Power & Fuel	42.62	48.46
3 Testing Expenses	11.84	14.00
4 Factory & Machine Rent	2.00	15.26
5 Excise Duty on increase/(decrease) of stocks	(18.72)	14.73
Total-A	123.12	223.60
B REPAIRS AND MAINTENANCE		
1 Repairs to machinery	6.25	5.58
2 Repairs to Building	3.30	2.88
3 Repairs to Vehicles	4.94	4.81
4 Repairs to Others	1.09	1.04
Total - B	15.58	14.31
C SELLING AND DISTRIBUTION EXPENSES		
1 Selling Expenses	9.36	6.70
2 Sales Commission	8.21	7.56
3 Carriage Outward	23.18	27.87
4 Taxes and Duties	19.25	12.06
5 Bad Debts Written off	15.02	10.03
6 Penalty Deductions/Liquidated Damages	36.99	34.94
7 Provision for Doubtful Debts	9.32	—
Total - C	121.33	99.16
D ADMINISTRATIVE EXPENSES		
1 Travelling Expenses	15.13	10.75
2 Printing & Stationery	2.65	1.85
3 Insurance Charges	5.13	4.38
4 Advertisement Expenses	0.52	1.35
5 Postage and Telephone Charges	3.93	4.45
6 Auditor's Remuneration	2.06	2.06
7 Fees and Subscription	16.73	9.93
8 Legal & Professional Fees	13.29	8.22
9 Security Service Charges	13.66	14.52
10 Rent	2.87	2.39
11 General Expenses	4.82	4.78
12 Books and Periodicals	0.05	0.08
13 Meeting Expenses	1.19	0.73
14 Registrar's Fees	0.31	0.23
Total - D	82.34	65.72
E OTHER EXPENSES		
1 Foreign Exchange Fluctuations (Net)	0.00	7.65
2 Advances Written off	0.21	0.84
3 Prior Year Adjustment (Net)	(0.19)	(0.17)
Total-E	0.02	8.32
Total	342.39	411.11

**NOTE NO- 25 :SIGNIFICANT ACCOUNTING POLICIES :****A. 1 REVENUE RECOGNITION**

- i. Revenues/ Incomes and Costs/ Expenditures are generally accounted on accrual basis as they are earned or incurred.
- ii. Sales are recognized on the date of dispatch of materials to customers. Services are recognized on completion. Sales are net of Excise Duty and Value Added Tax.
- iii. Revenue recognition in respect of price escalation is carried out in the year of settlement of claims / bills.
- iv. Dividend income from investment is accounted, when the right to receive the same is established.
- v. Duty draw back and other benefits receivable on eligible export of goods manufactured are shown under "Other Income" as per rates applicable thereon.

2. FIXED ASSETS

- i. Fixed Assets other than those which have been revalued are stated at cost which includes all direct expenses including attributable borrowing cost incurred up to the date of installation of assets less accumulated depreciation (other than "Leasehold Land" where no depreciation is charged).
- ii. Revalued assets are shown at the revalued cost less accumulated depreciation as per the Accounting policy no. 3(ii).
- iii. The Company has adopted Revaluation model for property ,plant and equipment for determining the gross carrying amount. The revaluation reserve created is not available for distribution to shareholders.
- iv. Discarded fixed assets are de-capitalized and included under inventories at 5% of value of assets being estimated realizable value.
- v. The cost of fixed assets not ready for use before such date are disclosed under capital work-in-progress.

3. DEPRECIATION

- i. Depreciation on Fixed Assets (Other than revalued assets) is provided on Straight Line Method in accordance with the useful life as specified under Schedule II to the Companies Act, 2013.
- ii. Depreciation on revalued assets is calculated on their respective revalued amount on Straight Line Method over the balance useful life as determined by the valuers or the balance remaining useful life as per Schedule – II whichever is lower.
- iii. Leasehold land is not amortized since the period of lease is 99 years.
- iv. Depreciation on revalued assets is calculated on their respective revalued amount on Straight Line Method over the balance useful life as determined by the valuers . The life assumed by the technical experts is as under:

<u>Assets</u>	<u>Estimated Useful Life</u>
Plant and Machinery	5 to 40
Testing Equipments	10 to 25
Material Handling Equipments	25 to 40
Electrical Installation	10 to 30
Auxiliary Equipments	25 to 40
Factory Building	50 to 70
Office Equipments	3 to 15
Furniture & Fixtures	5 to 20

For these classes of assets, based on technical evaluation carried out by external technical experts, the Company believes that the useful lives as given above best represent the period over which Company expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

- v. Items costing Rs. 5000/- or less are fully depreciated in the year of purchase.
- vi. Depreciation on additions to assets and on sale/ discard of assets is calculated pro-rata from the date of such additions or up to the date of such sale/ discard, as the case may be.
- vii. The charge over and above the depreciation calculated on the original cost of the revalued assets is transferred from Fixed Asset Revaluation Reserve to General Reserve and shown as a deduction from Revaluation Reserve.

4. BORROWING COST:

Borrowing costs relating to the acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete.

A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to revenue.

5. INVESTMENT

Long Term investments are carried at cost less provision, if any, for permanent diminution in value of such investments. Current investments are carried at lower of cost and market value.

6. INVENTORIES

- i. Stock of Raw Materials, Components and stores are valued at lower of cost and net realizable value. Cost of raw material is determined on weighted average method, excluding CENVAT paid on purchases. Scrap is valued at estimated realisable value.
- ii. Stock of Materials-in-Process and Finished Goods are valued at lower of cost and net realizable value. Cost excludes CENVAT paid on inputs but includes excise duty payable on completion of manufacture of the Finished Goods.

7. FOREIGN CURRENCY TRANSACTION

- i. Receipts and Payments are recorded at actual rates prevailing on the date of transaction.
- ii. Balances in the form of Current Assets and Current Liabilities (including for procurement of Fixed Assets) in foreign currency, outstanding at the close of the year, are converted (in Indian Currency) at the appropriate rates of exchange prevailing on the date of Balance Sheet and the resultant loss or gain is taken to exchange variation account which gets charged in or credited to the Profit and Loss Account.
- iii. Forward Exchange Contracts not intended for trading or speculation purpose : The premium or discount arising at the inception of forward exchange contracts is amortized as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the statement of profit and loss on the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expense for the year.

8. RESEARCH AND DEVELOPMENT

Revenue expenditure including overheads on Research and Developments are charged off as an expense through the natural heads of account in the year in which incurred. Expenditure which results in the creation of capital assets is taken to Intangible assets and amortisation is provided on such assets as applicable.

9. EMPLOYEE BENEFITS

(i) Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering service are classified as short term employees benefits. Benefits such as salaries, wages, short term compensated absences, etc and the expected cost of bonus, ex-gratia are recognized in the period in which the employees render the related service.

(ii) Defined Contribution Plans.

Provident Fund, Superannuation Fund and Employees State Insurance Scheme are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employees renders the related services.

(iii) Defined Benefits Plans

Gratuity on account of services gratuity is covered under Gratuity-cum-Life Assurance Scheme of Life Insurance Corporation of India. Annual premium paid for the scheme is charged to Statement of Profit and Loss. Provision for leave encashment benefit is done on the basis of actuarial valuation.

10. LIQUIDATED DAMAGES

Liquidated damages are accounted only when finally agreed upon and settled with the parties.

11. TAXATION :

Income Tax provision comprises Current tax and Deferred Tax charge or credit. The Deferred Tax assets and Deferred Tax Liabilities are calculated by applying tax rate and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

12. IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and "Value in use" of the assets. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In case of impairment, if any depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

A previous recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

13. PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS.

- (a) The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
- (b) Liabilities contingent upon happening of future event are disclosed by way of a note in the accounts. Claims against the Company where a demand has been raised by any authority or disputed in arbitration are recognized as Contingent Liability, if contested.
- (c) Contingent assets are not recognized.
- (d) Provision is made regarding disputed statutory levies only when the appeal is decided by the Appellate Tribunal.



NOTE NO.26 ADDITIONAL NOTES ON ACCOUNT :

1. RAW MATERIALS AND COMPONENTS CONSUMED :

Items	2016 - 17			2015 - 16		
	Qty (MT)	Value (₹ in Lakhs)	%	Qty (MT)	Value (₹ in Lakhs)	%
INDIGENOUS :						
Conductors	134.719 MT	481.81	24	202.427 MT	494.99	23
CRGO Steel & Lamination	215.759 MT	338.32	17	289.286 MT	430.12	20
Transformer Oil	539.436KL	209.49	11	522.390KL	234.36	11
Others		600.67	30		649.20	32
Sub Total	889.914	1630.29	82	1014.103	1808.67	86
IMPORTED :						
CRGO Steel	65.147 MT	105.34	5	33.251 MT	46.13	2
AMDT Core	153.782 MT	260.47	13	149.839 MT	264.83	12
Sub Total	218.929 MT	365.81	18	183.090 MT	310.96	14
Total	1108.843	1996.10	100	1197.193	2119.63	100

2. PAYMENT TO AUDITORS: (Exclusive of Service Tax)

(₹ in Lakhs)

SR No	Particulars	2016 - 17	2015 - 16
i.	Audit Fees	1.00	1.00
ii.	Limited Review Fees	0.45	0.45
iii.	Tax Audit Fees	0.25	0.25
iv.	In Other Capacity of Certification (etc)	0.30	0.30
	TOTAL	2.00	2.00

3. EARNING PER SHARE :

(₹ in Lakhs)

SR No	Particulars	2016 - 17	2015 - 16
i.	Profit/(Loss) available to Equity Share Holders (Rs. In lakhs)	(304.20)	(54.53)
ii.	Weighted Average number of equity shares for Basic EPS in lakhs	63.06	53.60
iii.	Nominal Value of Equity Shares in Rs.	10.00	10.00
iv.	Basic Earning (Loss) Per Equity Shares (Rs)	(4.82)	(1.02)
v.	Dillutive Earning (Loss) Per Equity Shares (Rs) *	(4.82)	(1.02)

* In view of loss the dillutive earning (Loss) per share is trated as anti dillutive

4. CIF VALUE OF IMPORTS

(₹ in Lakhs)

SR No	Particulars	2016 - 17	2015 - 16
i.	Raw Materials and Components	353.92	257.28

5. EXPENDITURE IN FOREIGN CURRENCY (on accrual basis)

(₹ in Lakhs)

SR No	Particulars	2016 - 17	2015 - 16
i.	Expenditure in Foreign Currency	NIL	NIL

6 EARNING IN FOREIGN CURRENCY (on accrual basis)

(₹ in Lakhs)

SR No	Particulars	2016 - 17	2015 - 16
i.	Export on FOB Basis (Direct)	NIL	NIL

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7. RELATED PARTY DISCLOSURES

(₹ in Lakhs)

a) Name of the related party and nature of relationship

i) Wholly owned subsidiary Company	M/s. Phoneix Surgicare Private Limited
ii) Companies in which Directors are interested.	Industrial Designs and Services (P) Ltd. Oricon Industries (P) Limited. Galaxy Medicare Limited Alfa Electricals & Company.
iii) Key Management Personnel	Dillip Kumar Das Managing Director Deepak Kumar Das Executive Director & CFO Debasis Das Executive Director Krishna Panda Company Secretary

b) Transactions with related parties

(₹ in Lakhs)

SL.NO	Nature of Transaction	Subsidiary	Companies where Directors are interested	Key Managerial Person	Total
1	Share Allotment		27.90 (0.00)		27.90 (0.00)
2	Loan Taken	26.30 (26.00)	60.00 (40.00)		60.00 (40.00)
3	Sale of Good (Income)		0.16 (1.18)		0.16 (1.18)
4	Purchase of Raw materials (Expenses)		0.86 (0.00)		0.86 (0.00)
5	Remuneration Paid (Expenses)			39.05 (31.99)	39.05 (31.99)
6	Job Work Charges (Expenses)		29.40 (56.11)		29.40 (56.11)
7	Interest on Loan (Expenses)		7.34 (1.50)		7.34 (1.50)
8	Factory Rent (Expenses)		2.00 (6.75)		2.00 (6.75)
9	Advances(given/paid)		0.00 (0.06)		0.00 (0.06)

[Amount shown in brackets reflects the previous year balance.]

8. CONTINGENT LIABILITIES & COMMITMENTS

(₹ in Lakhs)

SR No	Particulars	2016 - 17	2015 - 16
A.	Contigent Liabilities		
i.	Un expired Letters of Credit	415.11	322.29
ii	Counter Guarantees given by Company for Bank Guarantees issued	620.61	627.69
iii	Claims against the Company not acknowledged as Debt		
	a) Income Tax	17.68	17.68
	b) Sales Tax (*)	28.70	28.70
	c) Entry Tax (#)	89.85	89.85
	d) Service Tax (@)	4.01	4.01
	TOTAL	1175.96	1090.22

* Amount paid under protest against the demands amounting to Rs. 19.91 lakhs (Previous Year- Rs.19.91 lakhs) is shown under "Long-term Loans and Advances" under Note No.12.

Amount paid under protest against the demands amounting to Rs. 3.50 lakhs (Previous year- Rs. 3.50lakhs) is shown under "Long Term Loans and Advances" under Note no.12.

@ Amount paid under protest against the demands amounting to Rs. 0.30 lakhs (Previous year- Rs.0.30 lakhs) is shown under "Long Term Loans and Advances" under Note no.12.



9. During the year revaluation of assets has been carried out by an independent valuer. Details of such revaluation are given below:
- Revaluation of Land-Leasehold, Buildings, Plant and Machinery, Testing Equipments, Material Handling Equipment, Electricals Installations, Solar Energy Generating System, Computers, Office Equipment, Vehicle, Furniture & Fixtures is carried out on 31-03-2017. The net increase of Rs. 21,71,90,333/- has been transferred to Revaluation Reserve.
 - Depreciated Replacement Cost Approach(DRC) methodology for the revaluation of the assets is applied as it is not possible to generally obtain the market based evidence of fair value of specialised assets being re-valued.
 - The units are going concern and accordingly the valuation of the plants has been done considering various technical factors such as technological relevance, location and condition and residual useful life factor.
 - The Plant and Machineries have been categorised as specialised equipments as those have been acquired specifically for manufacturing of transformers and have consequently very little use outside this industry.
 - The carrying cost of Plant and Machineries is the purchase price and non-refundable duties and taxes, delivery, handling and installation costs.
 - Land: open market price was adopted as the fair value for arriving at the current cost of land.

10. The Company is mainly engaged in only one product i.e Transformer, which is considered the Primary reportable business segment as per Accounting standard (AS-17) related "Segment reporting" issued by the Institute of Chartered Accountants of India. Business outside India and within India are considered to be Secondary Segment based on geographical segmentation. Details of expenses, assets and liabilities of the respective segments have not been ascertained.

(₹ in Lakhs)

Particulars of Sale of	Within India		Outside India		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Transformer	2449.95	2551.89	—	—	2449.95	2551.89
Repairing/Service Charges	95.76	136.60	—	—	95.76	136.60
Total	2545.71	2688.49	—	—	2545.71	2688.49

11. During the period 8th November, 2016 to 30th December, 2016, the Company held and transacted Specified Bank Notes (SBN) as defined in the MCA notification G.S.R. 308 (E) dated 30th March, 2017 read with notification of Government of India, in the Ministry of Finance, Department of Economic Affairs Number S.O.3407 (E) dated 8th November, 2016. Details of SBN held and transacted during the period from 8th November, 2016 to 30th December, 2016, as required by the MCA Notification given below:

(₹ in Lakhs)

Particulars	Specified Bank Notes (SBNs)	Other Denomination Notes (ODNs)	Total
Closing Cash on hand as on 08-11-2016	871500	147900	1019400
Add : Permitted Receipts	Nil	445461	445461
Less : Permitted Payments	221500	375629	597129
Less : Amount Deposited in Bank	650000	76000	726000
Closing Cash on hand as on 30-12-2016	—	141732	141732

12. Disclosure relating to Leave Encashment - As per Actuarial Valuation on 31st March,2017

a) Table Showing Changes in Present Value of Obligations :

Particulars	Current Year	Previous Year
Present value of obligation as at beginning of the year	3.82	3.63
(i) Acquisition Adjustments	—	—
(ii) Interest cost	0.27	0.25
(iii) Past Service cost	—	—
(iv) Current Service cost	1.45	0.54
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Benefits Paid	(0.33)	(0.90)
(viii) Actuarial gain/ loss on Obligation	(0.37)	0.30
Present value of obligation as at end of the year	4.85	3.82

b) Table Showing Expenses Recognized in Statement of Profit & Loss :

Particulars	Current Year	Previous Year
(i) Current Service Cost	1.45	0.54
(ii) Past Service Cost	—	—
(iii) Interest Cost	0.27	0.25
(iv) Expected Return on Plan Asset	—	—
(v) Curtailment cost	—	—
(vi) Settlement cost	—	—
(vii) Actuarial gain/ loss on Obligation	(0.37)	0.30
Expenses Recognized in Statement of Profit and Loss Account	1.36	1.09

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c) Table Showing Actuarial Assumptions :

Particulars	Current Year	Previous Year
(i) Mortality Table	IALM (2006-2008)	IALM (2006-2008)
(ii) Superannuation Age	ULTIMATE 58.00	ULTIMATE 58.00
(iii) Early Retirement & Disablement	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29
(iv) Discount Rate	7.50%	8.00 %
(v) Inflation Rate	7.00%	7.00 %
(vi) Return on Asset	—	—
(vii) Remaining Working Life	15 years	14 years
(viii) Formula used	Projected Unit Credit Method	Projected Unit Credit Method

13. 13. Disclosure relating to Gratuity, as certified by Life Insurance Corporation of India, (Pension and Group Scheme Department) for the year ended 31st March, 2017 have been made as below:

- i) In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees.
- ii) The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). Under the plan, the settlement obligation remains with the Company, although the Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the Company.
- iii) Annual premium payable to LIC amounting to Rs. 0.10 lakhs (Previous Year- Rs. 1.00lakhs) have been shown under "Employee Benefit Expenses" in Schedule-22.
- iv) Disclosures as required by AS-15 (Revised) are made as per the details submitted by LIC which are given below :

a) Assumptions

Particulars	31-03-2017	31-03-2016
Discount Rate	8%	8%
Salary Escalation	7%	7%

b) Table Showing changes in present value of Obligation

Particulars	31-03-2017	31-03-2016
Present value of obligation as at beginning of the year	13.76	12.81
(i) Interest cost	1.10	1.02
(ii) Current Service cost	1.31	1.26
(iii) Benefits Paid	(1.07)	(1.97)
(iv) Actuarial gain/(loss) on obligation	0.17	0.65
Present value of obligation as at end of the year	15.27	13.76

c) Table showing changes in the fair value of plan assets

Particulars	31-03-2017	31-03-2016
Fair value of plan assets at beginning of year	14.59	14.79
(i) Actual returns on plan assets	1.22	1.29
(ii) Contributions	2.31	0.49
(iii) Benefits Paid	(1.07)	(1.97)
(iv) Actuarial gain/(loss) on plan assets	NIL	NIL
Fair value of plan assets at end of year	17.05	14.59

d) Table Showing fair value of plan assets

Particulars	31-03-2017	31-03-2016
(i) Fair value of plan assets at beginning of year	14.59	14.79
(ii) Actual return of plan assets	1.22	1.29
(iii) Contributions	2.31	0.49
(iv) Benefit Paid	(1.07)	(1.97)
(v) Fair value of plan assets at the end of year	17.05	14.59
(vi) Funded status	1.79	0.83
(vii) Excess of Actual over estimated return on plan assets	NIL	NIL



e) Actuarial Gain/Loss recognised as on

Particulars	31-03-2017	31-03-2016
(i) Actuarial (gain)/loss on obligations	(0.17)	(0.65)
(ii) Actuarial (gain)/loss for the year- plan assets	NIL	NIL
(iii) Total Actuarial (gain)/loss	0.17	0.65
(iv) Actuarial (gain)/loss recognized in the year	0.17	0.65

f) The amounts to be recognized in the balance sheet and statements of profit and loss account

Particulars	31-03-2017	31-03-2016
(i) Present value of obligation at the end of year	15.27	13.76
(ii) Fair value of plan assets as at the end of the year	17.05	14.59
(iii) Fund status	1.79	0.83
(iv) Net asset/(liability) recognized in balance sheet	1.79	0.83

g) Expenses Recognized in statement of Profit and Loss

Particulars	31-03-2017	31-03-2016
(i) Current Service Cost	1.31	1.25
(ii) Interest Cost	1.10	1.02
(iii) Expected return on plan assets	(1.22)	(1.29)
(iv) Net Actuarial (gain)/ loss recognized in the year	0.17	0.65
(v) Expenses recognized in statement of Profit and loss	1.35	1.64

14. Trade Receivables, deposits and advance to parties include some old balances pending reconciliation/ adjustment/ confirmation. The management feels that there will not be any material impact of the same in the accounts.

15. In terms of Accounting Policy Note No. 25 (12), the Company assessed the Cash Generating Unit for Impairment Test using a discount rate of 8% and did not find any asset that requires a provision for impairment.

16. Operating Cycle is considered to be twelve months period.

17. Previous Year's Figures have been regrouped and re arranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.K.SABAT & CO
CHARTERED ACCOUNTANTS

DILLIP KUMAR DAS
MANAGING DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR (FINANCE) & CFO

Firm Registration No: 321012E

UMAKANTA JENA
PARTNER
Membership No. 307338

KRISHNA PANDA
COMPANY SECRETARY

BHUBANESWAR
DATED : 29th May 2017

INDEPENDENT AUDITORS' REPORT

To
The Members
Phoenix Surgicare Private Limited.
Report on the Financial Statements

We have audited the accompanying financial statements of "Phoenix Surgicare Private Limited" which comprise the Balance Sheet as at 31 March 2017 and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. The Company does not come under the purview of 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.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and 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) There are not branches of the company.
 - (d) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (f) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position .
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company did not have any holding or dealing in specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016.

For **A S S A & Associates**
Chartered Accountants
FRN : 327704E

(ABHIJIT PATRA)
Partner
MNo.: 302726

Place: Cuttack
Date : 15th April, 2017

PHOENIX SURGICARE PRIVATE LIMITED

(Wholly owned Subsidiary Company)

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Annexure A referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the Financial Statements of the Company for the year ended 31st March, 2017.

- 1) (a) The Company has no Fixed Asset so no Fixed Asset Register is required to be maintained;
- (b) There is no Fixed Assets so no Physical Verification
- (c) There is no immovable property so no title deed is in name of the company.
- 2) There is no inventory so no physical verification is required.
- 3) The Company has granted an unsecured interest free short term loan to Alfa Transformers Limited, its holding company. The maximum amount outstanding during the year was 26,59,703.00 and the year end balance was 26,54,084.00. According to the information and explanations given to us, there are no specific covenants with regarding the repayment of loan. In our opinion, since it is an interest free loan, the rate of interest is prima- facie prejudicial to the interest of the company. Further, as no stipulations for repayment have been prescribed, no comments regarding regularity of payments are made.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) 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. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) No Payment has been made or provided for management so the provisions of section 197 read with Schedule V to the Companies Act does not apply;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **A S S A & Associates**
Chartered Accountants
FRN : 327704E

(ABHIJIT PATRA)
Partner
MNo.: 302726

Place: Cuttack
Date : 15th April, 2017

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“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of PHOENIX SURGICARE PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Phoenix Surgicare Private Limited as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements,

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **A. K. SABAT & CO.**,
Chartered Accountants
FRN : 321012E

(UMAKANTA JENA)
PARTNER
MNo. : 307338

Bhubaneswar
Date : 15th April, 2017

PHOENIX SURGICARE PRIVATE LIMITED

(Wholly owned Subsidiary Company)

BALANCE SHEET AS AT 31ST MARCH 2017

(Amount in ₹)

Particulars	Note No.	As at 31st March 2017		As at 31st March 2016	
I. EQUITY AND LIABILITIES					
1 Shareholders' Funds					
(a) Share Capital	1	1242000		1242000	
(b) Reserves and Surplus	2	1500326		1515602	
			2742326		2757602
2 Share Application Money Pending Allotment			—		—
3 Non-Current Liabilities					
(a) Long-Term Borrowings		—		—	
(b) Deferred Tax Liabilities (Net)		—		—	
(c) Other Long Term Liabilities		—		—	
(d) Long-Term Provisions			—		—
4 Current Liabilities					
(a) Short-Term Borrowings					
(b) Trade Payables					
(c) Other Current Liabilities	3	19050		23175	
(d) Short-Term Provisions	4	—		—	
			19050		23175
TOTAL			2761376		2780777
II. ASSETS					
1 Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets		—		—	
(b) Non-Current Investments		—		—	
(c) Long-Term Loans and Advances		—		—	
(d) Other Non - Current Assets		—		—	
			—		—
2 Current assets					
(a) Current Investments		—		—	
(b) Inventories		—		—	
(c) Trade Receivables		—		—	
(d) Cash and Cash Equivalents	5	130466		126692	
(e) Short-Term Loans and Advances	6	2630910		2654085	
(e) Other Current Assets		—		—	
			2761376		2780777
TOTAL			2761376		2780777
SIGNIFICANT ACCOUNTING POLICIES					
ADDITIONAL NOTES ON ACCOUNTS	8 & 9				

THE SCHEDULE REFERRED ABOVE FORM PART OF ACCOUNTS
AS PER OUR REPORT OF EVEN DATE ATTACHED

For **A S S A & ASSOCIATES**
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

(**ABHIJIT PATRA**)
PARTNER
Membership No. 302726
FRN : 323774E

DILLIP KUMAR DAS
DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR

Place : CUTTACK
Date : 15/04/2017

Annual Report 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

(Amount in ₹)

Particulars	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
I. Revenue from Operations		—	—
II. Other Income			
- Interest on Fixed Deposits		8856	9590
- Misc. Income		—	—
III. Total Revenue (I + II)		8856	9590
IV. EXPENDITURE :			
Cost of Materials Consumed		—	—
Changes in Inventories of Finished Goods Work-in-Progress		—	—
Employee Benefits Expenses		—	—
Finance Costs		—	—
Depreciation and Amortization expenses		—	—
Other Expenses	7	24133	26523
Total Expenses		24133	26523
V. Profit / (Loss) Before Exceptional and Extraordinary Items and Tax (III-IV)		(15277)	(16933)
VI. Profit/(Loss) Before Extraordinary Items and Tax (V-VI)		(15277)	(16933)
VII. Extraordinary Items		—	—
VIII. Profit / (Loss) Before Tax (VII- VIII)		(15277)	(16933)
IX Tax Expenses:			
(1) Current Tax		—	—
(3) Deferred Tax Assets / (Liabilities) [Net]		—	—
X Profit / (Loss) for the period (IX-X)		(15277)	(16933)
XII Earnings Per Equity Share			
(1) Basic & Diluted (in ₹)		(0.12)	(0.14)
SIGNIFICANT ACCOUNTING POLICIES ADDITIONAL NOTES ON ACCOUNTS	8 & 9		

THE SCHEDULE REFERRED ABOVE FORM PART OF ACCOUNTS
AS PER OUR REPORT OF EVEN DATE ATTACHED

For **A S S A & ASSOCIATES**
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

(ABHIJIT PATRA)
PARTNER
Membership No. 302726
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DILLIP KUMAR DAS
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DIRECTOR

Place : CUTTACK
Date : 15/04/2017

PHOENIX SURGICARE PRIVATE LIMITED
(Wholly owned Subsidiary Company)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

(Amount in ₹)

PARTICULARS	Year Ended 31-03-2017	Year Ended 31-03-2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Interest, Taxes & Extraordinary Items	(15277)	(16933)
Adjustment for :		
Depreciation and amortisation	—	—
Operating Profit / (Loss) before Working Capital Changes	(15277)	(16933)
Changes in Working Capital :		
Adjustments for (Increase)/decrease in operating assets :		
Short-Term Loans and advances Increase/(Decrease)	23175	5618
Adjustments for (Increase)/decrease in operating Liabilities :		
Trade Payables & Provisions- Decrease/ (Increase)	(4125)	17557
Short Term Provision	—	—
	19050	23175
NET CASH FLOW FROM OPERATING ACTIVITIES	3774	6242
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase)/ Decrease in Fixed Deposit	—	—
NET CASH FLOW FROM INVESTING ACTIVITIES	—	—
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	—	—
Repayment of Long Term borrowings	—	—
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES	—	—
Net Increase in cash and cash equivalents(A+B+C)	3774	6242
Cash and cash equivalents as on 31-03-2016	126692	120450
CASH & CASH EQUIVALENTS AS ON 31-03-2017	130466	126692
Cash and Cash Equivalents comprises		
-- Cash	300	300
-- Balance with Schedule Banks	130166	126392
	130466	126692

Note :

1. All figures in brackets are outflow of cash.
2. Cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3 issued by the Institute of Chartered Accountants of India.
3. Previous year figures regrouped/recast where ever necessary.

THE SCHEDULE REFERRED ABOVE FORM PART OF ACCOUNTS
AS PER OUR REPORT OF EVEN DATE ATTACHED

For **A S S A & ASSOCIATES**
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

(**ABHIJIT PATRA**)
PARTNER
Membership No. 302726
FRN : 323774E
Place : CUTTACK
Date : 15/04/2017

DILLIP KUMAR DAS
DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR

Annual Report 2017

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1. SHARE CAPITAL

(Amount in ₹)

Particulars	As at 31st March 2017		As at 31st March 2016	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of Rs. 10/- Each	1,000,000	10,000,000	1,000,000	10,000,000
Issued , Subscribed & Paid up:				
Equity Shares pf Rs. 10/- each fully paid up	124,200	1,242,000	124,200	1,242,000
Total	124,200	1,242,000	124,200	1,242,000

1.1

(Amount in ₹)

Particulars	As at 31st March 2017		As at 31st March 2016	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	124,200	1,242,000	124,200	1,242,000
Shares issued during the year	—	—	—	—
Shares brought back during the year	—	—	—	—
Shares outstanding at the end of the year	124,200	1,242,000	124,200	1,242,000

1.2 124100 Equity Shares (Previous Year- 124100) are held by Alfa Transformers Limited and 100 Equity Share (Previous Tear-100) are held by Sri Deepak Kumar Das as a nominee Director of Alfa Transformers Limited, the Holding Company, Avove disclosure is required for each class of shares held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate.

1.3 Details of Shareholders holding more than 5% shares :

(Amount in ₹)

Particulars	As at 31st March 2017		As at 31st March 2016	
	Number	Amount	Number	Amount
Alfa Transformers Limited	124100	99.92%	124100	99.92%

2. RESERVES AND SURPLUS

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016
General Reserve :		
Opening Balance as per Last Balance Sheet	1000000	1000000
Add: Transfer from Profit and Loss Account	—	—
Closing Balance	1000000	1000000
Profit and Loss Account :		
Opening Balance as per Last Balance Sheet	515602	532535
Add : Profit/(Loss) for the year	(15277)	(16933)
Less: Transferred to Profit and Loss Account	—	—
Closing Balance	500326	515602
TOTAL	1500326	1515602

3. OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016
a. Audit Fees Payable	5750	5725
b. Professional Fees Payable	11500	11450
c. Filling Fees Payable	1800	6000
	19050	23175

4. SHORT TERM PROVISIONS

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016
Provision for Income Tax	—	—

5. CASH AND BANK BALANCES

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016
Balances with banks		
-- In Current Account	2426	7508
-- In Fixed Deposit Account	127740	118884
Cash on hand	300	300
Total	130466	126692

PHOENIX SURGICARE PRIVATE LIMITED

(Wholly owned Subsidiary Company)

6. SHORT TERM LOANS AND ADVANCES

(Amount in ₹)

Particulars	As at 31st March 2017	As at 31st March 2016
a) Loans and Advance to related parties Alfa Transformers Limited	2630910	2654085
Total	2630910	2654085

7. CASH AND BANK BALANCES

(Amount in ₹)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Auditors' Remuneration	5750	5725
Filing Fees	1800	7000
Bank Charges	4083	2348
Interest	—	—
Legal and Professional Fees	12500	11450
TOTAL	24133	26523

SCHEDULE - 8

SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL NOTES ON ACCOUNTS:

1 PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under historical cost convention on the accrual basis and the accordance with the applicable Accounting Standards and the relevant provisions of the Companies Act, 1956 and Companies Act, 2013 to the extent applicable.

2 REVENUE RECOGNITION :

Revenue from sale of goods is recognized when ownership in goods is transferred to the customers, normally at the point of dispatch. As regards services, income is accounted as and when services are rendered.

3 Fixed Assets/ Depreciation:

Fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on straight line method in accordance with the Companies' Act, 1956 and as per rates specified in Schedule XIV of the above Act. In case of additions/ sales of the assets depreciation is charged on pro-rata basis.

4 Taxation:

Provision for current tax is made on the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.

5 Provisions and Contingent Liability:

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimates can made of the amount of the obligation. Disclosure for the contingent liability is made when there is possible obligation or present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

NOTE NO. 9 : NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

- Contingent liabilities not provided for – Rs. NIL (Previous year- Nil)
- The Company is the subsidiary Company of M/s. Alfa Transformers Limited, which holds 99.92% Equity Shares Of the Company.
- There is no due to Micro, Small and Medium Enterprises. The Liability has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied y the auditor.
- As per Notification G.S.R 308 (E) on dated 30th March, 2017, these are following denomination of specified Bank Notes.

Particulars	Specified Bank Notes		Other denomination Notes		Total	
	Denomination	Amount (Rs)	Denomination	Amount (Rs)	Denomination	Amount (Rs)
Closing Balance as on 8th Nov, 2016	—	—	Rs. 100 x3	Rs. 300.00	Rs. 100x3	300.00
Transaction during 9th Nov, 2016 to 30th Dec, 2016	—	—	—	—	—	—
Closing Balance As on 30th Dec, 2016	—	—	Rs. 100 x3	Rs. 300.00	Rs. 100x3	300.00

5. The Company has no operation activities during the financial year ended 31st March, 2017. So no operating cycle is considered.

6. Previous Years' figures have been regrouped and rearranged or restated wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **A S S A & ASSOCIATES**
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

(ABHIJIT PATRA)
PARTNER
Membership No. 302726
FRN : 323774E

DILLIP KUMAR DAS
DIRECTOR

DEEPAK KUMAR DAS
DIRECTOR

Place : CUTTACK
Date : 15/04/2017



ALFA TRANSFORMERS LIMITED

Regd. Office: Plot No.3337, Mancheswar Industrial Estate, Bhubaneswar – 751010

Telephone: (0674) 2580484, 2581036

EMAIL: info@alfa.in

Website: www.alfa.in

CIN: L31102OR1982PLC 001151

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.
Joint Share-holders may obtain additional Attendance Slip at the Venue of the Meeting.

DP. Id*	
---------	--

Folio No.	
-----------	--

Client Id *	
-------------	--

NAME AND ADDRESS OF THE MEMBER:

No.of Share(s) held :

I hereby record my presence at the 35th Annual General Meeting of the Company held on Tuesday, the 12th day of September, 2017 at 12.00 Noon at Hotel "THE NEW MARRION", Bhubaneswar

Signature of **Member / Proxy**

(Name)

NOTE:

Please sign this attendance slip and hand it over at the verification counter of the Meeting Hall.

*Applicable for investors holding shares in electronic form.



**ALFA TRANSFORMERS LIMITED**

Regd. Office: Plot No.3337, Mancheswar Industrial Estate, Bhubaneswar – 751010

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EMAIL: info@alfa.in

Website: www.alfa.in

CIN: L31102OR1982PLC 001151

Affix Re. 1/-
Revenue
Stamp**PROXY FORM- MGT-11***[Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the Member(s):

Registered Address:

Email id:

Folio No./DP ID-Client ID No.:

I/ We, being the member(s) of..... shares of the above named company, hereby appoint

1. Name:.....

Address:.....

Email id:.....

Signature:.....or failing him/her

2. Name:.....

Address:.....

Email id:.....

Signature:.....or failing him/her

3. Name:.....

Address:.....

Email id:.....

Signature:.....or failing him/her

As my/our proxy to addend and vote (on a poll) for me /us and on my/our behalf at the 35TH Annual General Meeting of the Company, to be held on Tuesday, 12th day of September, 2017 at 12 Noon at Hotel The NEW MARRION and any adjournment thereof in respect of such resolutions as are indicated below;

Resolution No	Description of Resolution	Vote		
		For	Against	Abstain
Ordinary Business				
Ordinary Resolution				
1 a)	To receive and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon.			
b)	To receive and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2017, the reports of the Auditors thereon.			
Ordinary Resolution				
2	To re-appoint a Director in place of Mr. Debasis Das (DIN: 00402790), who retires by rotation and being eligible offers himself for re-appointment			
Ordinary Resolution				
3	To appoint Statutory Auditors of the company and to fix their remuneration			
Special Business				
4	To reappoint Shri Dillip Das (DIN: 00402931), who attains 70 years on 26/01/2018 and upon attaining the age offers himself to be appointed as Chairman cum Managing Director of the company.			
5	To appoint Shri Gopal Krishan Gupta (DIN: 06626534) as Whole time director of the company who will be liable to retire by rotation and to fix his remuneration.			
6	To Appoint Shri Amalendu Mohanty (DIN 07653644) as Independent Director of the company.			
7	To ratify the remuneration of the Cost Auditors for the financial year 2017-18.			

NOTE:

1. The proxy form signed across Re.1/- stamp should reach Company's Registered Office At least 48 Hours before the schedule time of Meeting.
2. The Form should be signed across the stamp as per specimen signature registered with the Company.
3. A proxy need not be a member.
4. The above Attendance Slip should be sent to the Proxy appointed by you and not to the Company.





SUBMISSION OF E-MAIL ADDRESS OF MEMBERS OF ALFA TRANSFORMERS LIMITED	
NAME	
E-MAIL I.D.	
ADDRESS	
D.P. I.D.	
CLIENT I.D.	
FOLIO NO. (In case of Physical Holding)	
NO. OF EQUITY SHARES HELD (The period for which held)	
Specimen signature of the member	

MAP SHOWING LOCATION OF THE VENUE OF THE 35TH ANNUAL GENERAL MEETING OF ALFA TRANSFORMERS LIMITED

Google Maps

