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31st Annual General Meeting

*on Saturday, the 10th day of August, 2013 at 12.30 P.M.
at Hotel "The New Marrion", 6, Janpath, Bhubaneswar – 751001.*



ALFA TRANSFORMERS LIMITED

BOARD OF DIRECTORS

Mr. Dillip Kumar Das	Chairman & Managing Director
Mr. Deepak Kumar Das	Whole-time Director (Finance)
Mr. Santosh Kumar Patnaik	Whole-time Director(Tech.Service)
Mr.Debasis Das	Whole-time Director (Marketing)
Mr. S.K.Nanda	Non-Executive Independent Director
Dr. N. C. Pal	Non-Executive Independent Director
Mr. Sambit Mohanty	Non-Executive Independent Director
Mr.Niranjan Mohanty	Non-Executive Independent Director
Mr.B.N.R.Patnaik	Non-Executive Independent Director
Mr.Supratim Basu	Non-Executive Non-Independent Director

COMPANY SECRETARY AUDITORS

Mr. Susanta Kumar Satapathy
A.K.Sabat & Co, Chartered Accountants
A/348, Sahid Nagar,Bhubaneswar -751007

SECRETARIALAUDITOR:

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 Accountants,
Plot No:395/4688 & 172/4689,
Padmavati Vihar,PO. : Sailashree Vihar
Bhubaneswar-751021

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 AND FACTORY :

Plot No. 3337, Mancheswar I.E., Bhubaneswar - 751 010
Unit - I, Mancheswar Industrial Estate, Bhubaneswar – 751010
Unit - II, Plot No. - 2, Zone - D, Phase - A
Mancheswar Industrial Estate, Bhubaneswar – 751010
Unit - III, Plot No. - C/12, Industrial Estate
Madhupatna, Cuttack - 753 010
Unit - IV, Plot No. - 1046, 1047 & 1048, GIDC Estate
Waghodia, Vadodara - 391760, Gujrat

REGISTRAR & SHARE TRANSFER AGENT

M/s MCS Share Transfer Agent Limited,
12/1/5,Manoharpukur Road,
Kolkata-700026
Phone: (033) 40724051 to 53,
Fax : (033) 40724054
e-mail:mcssta@rediffmail.com

NOTICE

NOTICE is hereby given that the **31st Annual General Meeting** of the members of Alfa Transformers Limited will be held on Saturday the 10th day of August, 2013 at 12.30 P. M. at Hotel "The New Marriion", 6, Janpath, Bhubaneswar-751001, to transact the following business : -

ORDINARY BUSINESS :

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March 2013, the profit and Loss account for the year ended on that date and the reports of the auditors and directors thereon.
2. To appoint a Director in the place of Mr. Sambit Mohanty, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Dr.N.C.Pal, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in the place of Mr. Supratim Basu, who retires by rotation and being eligible offers himself for re-appointment.
5. To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to section 224 of the companies Act, 1956 M/s A.K Sabat & Co. Chartered Accountants, the retiring Auditors of the company be and are hereby re-appointed as the statutory Auditors of the company to hold office from the conclusion of this Annual general meeting until the conclusion of next Annual general meeting of the company as such remuneration as may be fixed by the Board of directors of the company in consultation of the Statutory Auditor"

SPECIAL BUSINESS :

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

"RESOLVED THAT in accordance with the provisions of section 198, 269,309,310,311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment there-of, and subject to other approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Mr. Dillip Kumar Das, as Managing Director of the Company for period of two years, with effect from 7th August 2013 and his remuneration shall remain same as approved in the 29th Annual General Meeting held on 12.08.2011."

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

"RESOLVED THAT in accordance with the provisions of section 198, 269,309,310,311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment there-of,

and subject to other approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Mr. Santosh Kumar Patnaik, as Whole-time Director of the Company for a period of one year or till the settlement of the case whichever is earlier, with effect from 21st February 2013 and his remuneration shall remain same as approved in the 29th Annual General Meeting held on 12.08.2011."

**By orders of the Board
For Alfa Transformers Limited**

Place : Bhubaneswar (S. K. Satapathy)
Date : 29th May, 2013. Company Secretary

NOTES FOR MEMBER'S ATTENTION:

1. **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.**
2. An Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 relating to the Special Businesses under item No.6 and 7 of the Notice as set out above, are annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday the 1st August, 2013 to Friday, 09th August, 2013 (both days inclusive)** in terms of provisions of section 154 of the Companies Act, 1956.
4. The Company had declared Dividend @10% i.e. Re.1/- per equity shares of the Company for the Financial Year 2008-2009 and 2009-10 in the 27th & 28th Annual General Meeting held on 30th July, 2009 and 6th August, 2010 respectively. . All the equity shareholders of the Company are requested to contact the Company/ Share Transfer Agent i.e. M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700026. for payment of their dividend amount, if they have not been paid. The un-paid dividend for the Financial Year 2008-09 and 2009-10 as on 31.03.2013 are Rs.1, 43,796 & Rs.1, 86,622 Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Un-paid Dividend Account will as per Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.
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. As per the recent RBI guidelines,



ALFA TRANSFORMERS LIMITED

effective from September 30, 2009, ECS credit will be moved completely on National Electronic Clearance System (NECS) platform through core banking system. Accordingly, dividend will be credited to the shareholders' bank account through NECS where complete core banking details are available with the Company. In the event any branch of a Bank has not migrated to core banking system, or where the core banking account number is not furnished by the shareholder to the Depository/Company as the case may be, the Company will print the details available in its records on the dividend warrants to be issued to the shareholders. The Company is complying with SEBI's directive in this regard.

- 5 All the physical shareholders of the Company are requested to dematerialize their shares.
- 6 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.
- 7 (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.
- 8 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.
- 9 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.
- 10 Trading in the equity shares of the company is compulsorily in dematerialized form for all investors. The ISIN (International Securities Identification Number) allotted to the company's equity share is INE 209C01015.
- 11 The members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
- 12 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

- 13 The names and address of the stock exchanges where-at the company's Share are listed, are given below:

- a) Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Tower, Dalal Street,
Mumbai-400001.
- b) The Bhubaneswar Stock Exchange Limited,
(Applied for De-listing)
Stock Exchange Bhavan, P-2, Jayadev Vihar,
Chandrasekhar, Bhubaneswar-751023.
- c) The Calcutta Stock Exchange Association Limited,
(Applied for De-listing)
7, Lyons Range, Kolkata-700001.

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

ITEM No.6:

Members may recall that Mr. Dillip kumar Das has been appointed as Managing Director of the Company for a period of one year with effect from 7th August, 2012. Accordingly, the tenure of office of Mr. Dillip Kumar Das will end on 6th August 2013. The Board at its Meeting held on 29th May 2013, re-appointed Mr. Dillip Kumar Das as Managing Director for a further period of two years from 7th August, 2013. The remuneration and terms of appointment of Mr Dillip Kumar Das shall remain same as approved in the 29th Annual General Meeting held on 12.08.2011."

According to section 269,309 and schedule XIII of the Companies Act, 1956, the re-appointment of Managing Director of the Company is subject to the approval of the shareholders at the General Meeting. The resolution is proposed for this purpose.

Your Directors recommend that the resolution be passed. None of the Directors except Mr. Dillip Kumar Das, Mr. Deepak Kumar Das, and Mr. Debasis Das, are interested in the proposed resolution

ITEM No.7:

Mr. Santosh Kumar Patnaik was appointed as a Whole-time Director (Technical Services) of the Company for a period of one years or attaining 65 years of age whichever is earlier w.e.f. 1st July, 2012 in the Annual General Meeting held on 11th August, 2012. The tenure of appointment of Mr. Santosh Kumar Patnaik, Whole-time Director (Technical Services) of the Company is going to be expired on 20.02.2013. The Board of Directors of the Company has re-appointed Mr. Santosh Kumar Patnaik, Whole-time Director of the Company for period of one year or till the settlement of the case, whichever is earlier w.e.f. 21.02.2013 in its meeting held on 14.02.2013 and the same has been placed in this notice for approval of the shareholders.

According to section 269,309 and schedule XIII of the Companies Act, 1956, the re-appointment of Mr. Santosh Kumar Patnaik, Whole-time Director (Technical Services) of the Company is subject to the approval of the

shareholders at the General Meeting. The resolution is proposed for this purpose.

Your Directors recommend that the resolution be passed. None of the Directors except Mr. Santosh Kumar Patnaik is interested in the proposed resolution.

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT/RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING:

(Pursuant to Clause 49 of the Listing Agreement)

Item No.2 of Notice of AGM

Brief Profile of Mr. Sambit Kumar Mohanty:

Mr. Sambit Kumar Mohanty, aged 51 years, is a graduate in Law from Utkal University. He is a young emerging Industrialist in Orissa Business Industry. He is having 26 years of work experience in Mechanical Product manufacturing. Presently he is the partner of M/s MM Company, Cuttack engaged in the manufacturing of Hand Pumps and Mechanical Engineering products. He is also a member of prominent Industry and Business Associations. He is the director of Phoenix Surgicare Private Limited (a wholly owned subsidiary company of Alfa Transformers Limited). He is also a member of Audit Committee and Remuneration Committee of your Company.

Item No.3 of Notice of AGM

Brief Profile of Dr. N.C.Pal:

Dr. N. C. Pal, aged 55 years, is a Fellow Member of the Institute of Cost and Works Accountants of India and Doctorate in Strategic Management of B.H.U. having total experience of 27 years key positions of Finance and Accounts of various organizations including M.N.C., Government of India Undertakings and Joint Sector Undertakings. He is also recipient of 20th Century Excellence Award in 1999 for his achievement in Corporate Finance Management. He has published several technical bulletins on power reforms in Odisha and its implication. He also served as a visiting faculty in the Xavier Institute of Management. Presently, he is the Director of Synergy Institute at Dhenkanal. He is not a Director of any other Companies. He is a member of Audit Committee and Remuneration Committee of your Company.

Item No.4 of Notice of AGM

Brief Profile of Mr. Supratim Basu :

Mr. Supratim Basu, aged 43 years, is a Bachelors of Science (Statistics & Operation Research) from Mumbai University and Masters in Management Studies (Finance) from Jamnalal Bajaj Institute, Mumbai. Mr. Supratim Basu is also Director of Frontline Venture Services Pvt. Ltd., a firm based in Mumbai and providing private equity advisory

services, Nimbus Communications Pvt. Ltd., and Shriram SEPL Composites Pvt. Ltd. He has over 18 years of quality equity research experience with top tier foreign brokerage firms operating in India. He has extensive knowledge of the technology sector, having tracked the Indian Technology sector for over 12 years. He has also tracked the Indian Telecom Sector (both operators and equipment providers) for 8 years besides looking in depth at the automobile, power and consumer sectors at different points in time.

Mr. Supratim Basu has previously worked with top rated foreign brokerage houses like Deutsche Equities, ICICI Securities, Indosuez WI Carr Securities and ABN AMRO Securities. He has wide experience in negotiating and structuring sophisticated investment transactions, besides being well versed in financial modeling and valuation techniques.

Item No.6 of Notice of AGM

Brief Profile of Mr. Dillip Kumar Das

Mr. Dillip Kumar Das, 65 years of age, 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 41 years of rich experience over manufacturing and repairing of transformers. He is responsible for overall technical & commercial activities including designing, production planning, marketing, import & export etc.

Item No.7 of Notice of AGM

Brief Profile of Mr. Santosh Kumar Patnaik

Mr. Santosh Kumar Patnaik, aged 65 years, holds a Graduate Degree in Mechanical Engineering from Sambalpur University. He served with Larsen & Turbo Limited, Orient Paper Mills Limited and Fertilizer Corporation of India for 10 years. He resigned from the service in order to start a small-scale unit named as Oriental Insulated Conductors private Limited, which has already been amalgamated with Oricon Industries Limited. He has rich experience in the fields of Engineering, Technology, Project Consultancy, Administration and Management etc. He is a Director of Oricon Industries Limited. He is not a member of any committee of your Company.

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

**PLACE : BHUBANESWAR
Date: 29th May, 2013**

**Sd/-
COMPANY SECRETARY**

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

We are pleased to present the Thirty-first Annual Report, Audited Accounts and Auditors report of your Company for the financial year ending 31st March'2013.

FINANCIAL RESULTS:

The summarized financial results of our operations for the Financial Year ending 31st March'2013 is detailed hereunder.
(Rs.in lakhs)

Particulars	2012-13	2011-12
Net Sales/Income from operations (a+b+c)	2147.88	1876.99
(a) Export Sales	397.88	16.35
(b) Domestic Sales	1621.24	1850.08
(c) Income from operations	128.76	10.56
(d) Other Income	14.72	31.04
Total Income (a+b+c+d)	2162.60	1908.03
Less: Total Expenditure	2183.06	1757.11
Profit before interest & Depreciation	(20.46)	150.92
Interest & Finance charges	243.14	270.62
Depreciation	91.50	89.92
Profit Before Tax	(355.10)	(209.62)
Income Tax-Earlier Year	0.95	—
Deferred Tax	—	(19.10)
Net Profit after Tax	(356.05)	(228.72)

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

FINANCIAL PERFORMANCE:

The total income of the company has increased by approximately 12% but the company has incurred a loss of Rs. 356.05 lakhs during the year which includes Bad Debt & Provision for Doubtful debt amounting to Rs. 102.08 lakhs. This provision has been due to deduction of penalty from our bills by Electricity utility Companies of Gujarat towards delay delivery for the year 2011-12.

The losses were incurred by the Company mainly due to the following reasons.

a) Export Order :

The company executed export orders this financial year but the pending order could not be executed completely during this year because due to non-availability of Bankable Letter of Credit from our customer at Libya. Secondly there was long delay in release of payment from ECCO, the company had to carry huge amount of inventory thus there is an increase of interest liability and blockage of Working Capital. Since the payment was not forthcoming, the risk of supplying the complete lot was not worth taking and hence there was reduction of turnover.

b) Domestic Order :

The local Electrical Utilities in Odisha did not procure sufficient transformers and hence we tried to explore other markets like Gujarat and Chattisgarh. The pending orders worth INR 1186 lakhs from Gujarat were executed; but further orders were not available as utilities in Gujarat reduced the procurement quantity.

The company is supplying Amorphous Transformers to the Utilities in Gujarat from Bhubaneswar and CRGO Transformers from Baroda. The margin against this orders are very Low and delay in supply attract 10% penalty. Meanwhile, in case of Amorphous transformers, the import of raw materials appreciated due to weakening of Rupee vis-a-vis US\$.

Sales :

The Sales from Bhubaneswar Unit were affected due to retrenchment of non-performing workers, Labor unrest & strike and absent during the financial year. The Gujarat Order was completely executed by December'2012 and enough orders were not available to feed the Unit till the Year end.

The Vadodara unit had Sales Turnover of Rs.652.52 Lakhs which is approximate 60% less than expected level.

Some of the financial parameters are given hereunder:

(Rs. In Lakhs)

Particulars	2012-13	2011-12
Export Sales	397.88	16.35
Domestic Sales	1621.24	1850.08
Other Income	14.72	31.04
Profit Before Tax	(355.10)	(209.62)
Profit after Tax	(356.05)	(228.72)
EPS	(6.64)	(4.27)

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VALUATION:

The PBT & PAT has been decreased by 69.41% and 55.67% respectively in comparison to the last Financial Year. The EPS has gone down from Rs.(4.27) for the last FY to Rs.(6.64) for FY 2012-13.

FUTURE PROSPECTS:

During the year 2013-14, the management is hopeful for revival of the company for the following reason

- Export is slowly getting stabilized and expected to good
- The procurement by Odisha electrical Utilities has been proactive and their payment has improved and is regular. The company has received orders worth INR 1200 Lakhs from Odisha Electrical utilities and we expect further orders worth INR800 to 1000 lakhs from them during this financial year. Hence it is expected that breakeven production level can be achieved during this year.
- We are hopeful of getting sizable orders from Chattishgarh State Electricity Board & Gujarat Electricity utilities during July-September 2013.
- For our Baroda Unit, we had procured orders worth Rs.142.05 lakhs from M/s. Godrej & Boyce Mfg. Co. Ltd. and are expecting further order from them after completion of balance order.
- We also expect fresh orders from Gujarat electricity utilities by July 2013 for Baroda unit.

The performance of the company is expected to be better during the year 2013-14.

SUBSIDIARY COMPANY :

Phoenix Surgicare Private Limited (previously Jashoda Trades Private Limited) is the only wholly owned Subsidiary Company of your Company. There are business operations in the subsidiary company till the end of the FY 2012-13 Company has not started any business activities till the end of this financial year.

Audited Statements of accounts of the Company's Subsidiary:

As required under Section 212 of the Companies Act, 1956, 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, 2013 are annexed.

ACHIEVEMENTS :

Your Company continues to enjoy "Star Export House" status from the Government of India and ISO 9001-2008 certification for quality. The Company has also got the award of **STAR PERFORMER FOR THE YEAR 2008-09** from EEPCINDIA (Eastern Region).

DEPOSITS:

The Company has not accepted any public deposits so far.

DIRECTORS:

Pursuant to provisions of Section 256 of the Companies Act, 1956, Mr. Sambit Mohanty, Dr. N. C. Pal and Mr. Supratim Basu retire by rotation at the ensuing Annual General meeting and, being eligible, may offer themselves for reappointment.

Your Directors recommend their reappointment.

COST AUDITOR:

The company has appointed M/s S. S. Sonthalia & Co. Cost Accountants, Bhubaneswar to audit the cost accounts related to the company's product Electric Transformer for the year 2013-14. The company has received a certificate stating their appointment, if made, would be with the prescribed limit under section 224(1B) of companies Act 1956.

AUDITORS' OBSERVATION:

During the financial year 2012-2013 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.

AUDITORS AND AUDITORS' REPORT:

M/s A.K. Sabat & Co, Chartered Accountants, Bhubaneswar retires at the ensuing Annual General Meeting and has given their consent for re-appointment. The Company has received a certificate from them to the effect that appointment if made, would be within the, prescribed limits under Section 224(1B) of the Companies Act, 1956.



ALFA TRANSFORMERS LIMITED

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, 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, 2013 the applicable accounting standards read with requirements set out under Revised Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- ii) The accounting policies adopted are consistent and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been on a going concern basis.

DIVIDEND:

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

The un-paid dividend for the Financial Year 2008-09 & 2009-10 is Rs.1, 43,796 & Rs.1, 86,622 as on 31.03.2013 respectively. All the shareholders who have not received the dividend warrant/not yet en-cashed the same, are requested to apply to the Company or its Registrar and Share Transfer Agent i.e. M/s MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata-700026. e-mail :mcssta@rediffmail.com.

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 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.

TRANSFER TO GENERAL RESERVE:

During the financial year ending on 31st March, 2012, no amount has been transferred to General Reserve in

accordance with the provisions of Companies (Transfer of profits to Reserves) Rules, 1975.

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

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are given in **Annexure "A"**.

PERSONNEL

None of the employees of the Company has been in receipt of remuneration exceeding the amounts envisaged by section 217(2A) of the Companies, Act, 1956.

DISCLOSURE AS PER LISTING AGREEMENT:

Cash Flow:

The cash flow statement in accordance with accounting standard and cash flow statement (AS-3) issued by ICAI is appended to this Annual Report.

Related Party Transactions:

As a matter of policy, your company carries out transactions with related parties on an arm-length basis. Statement of these transactions is given in the Notes to Account (Note-26(7a)) attached in compliance of Account Standard No.AS-18.

Listing:

The Company's shares are listed on the 'The Bombay Stock Exchange Limited'. The Annual listing fees to the 'The Bombay Stock Exchange Limited' for the year 2013-14 have been paid.

Voluntary Delisting from Bhubaneswar and Calcutta Stock Exchanges.

Permission is still awaited from Bhubaneswar and the Calcutta Stock Exchange with respect to the delisting application made by Company.

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

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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, validate commitment and sincerity, both vertically and horizontally across the organization with a spirit of integrity.

The Company has complied with all mandatory provisions of Corporate Governance as prescribed under clause 49 of the Listing Agreement. A report on Corporate Governance is annexed in "Annexure B" to the report, along with the certificate on its compliance from the Auditors forms part of this report.

QUALITY SYSTEM:

After expiry of ISO 9001:2000 accredited by NQA QSR, the company has been ISO 9001-2008 accredited by TUV SUD South Asia Private Limited with effect from 26.05.2010. The company successfully established and applies the quality systems. The quality management systems are applicable to "Design, Manufacture, Repair and sale of Power Transformers & Distribution Transformers".

INDUSTRIAL RELATIONS :

The industrial relations continued to be generally peaceful & cordial.

MANAGEMENT'S DISCUSION AND ANALYSIS:

Management's Discussion and Analysis for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section as Annexure 'C' forming part of the Annual Report.

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 continue co-operation and excellent support received during the year.

FOR AND ON BEHALF OF THE BOARD

PLACE : BHUBANESWAR DILLIP KUMAR DAS
DATE : 29th May, 2013 CHAIRMAN

ANNEXURE "A" TO THE DIRECTORS' REPORT

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, 2013:

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.

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:

(Rs in Lakhs)

Year	2012-2013	2011-12
Expenditure	1.65	0.63
Earning	561.49	111.29

FOR AND ON BEHALF OF THE BOARD

PLACE : BHUBANESWAR DILLIP KUMAR DAS
DATE : 29th May, 2013 CHAIRMAN



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

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

Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target and your Company has been doing its business within the framework of a good Corporate Governance. It is the mechanism to ensure, adopt and practice transparency, accountability, developing an internal system encompassing policies, process and people which serves best interest of the stakeholders by directing and controlling the management activities with good business law, objectivity and integrity. This emanates from our strong belief that strong governance is integral to creating value on a sustainable basis. Sound corporate governance is reliant on external market place commitment and legislation including a healthy board culture which safeguards policies and process and enhances the value system of the Organization. Hence, your Company believes in implementing the system of good corporate governance, as it is the key driver for sustainable growth and long-term value addition to the investments made by all shareholders. Your Company therefore is committed to the highest standards of corporate governance and follows the basic tenets of integrity, transparency, accountability and responsibility in all its activities and put in place a system of good Corporate Governance.

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 Clause 49 of the listing agreement entered into with the stock exchanges, in which the Company’s Shares are listed. The composition of the Board as on 31st March, 2013 consists of ten Directors, among which four are Executive Directors and six are non-Executive Directors. The Chairman being Executive Director, at-least half of the Board should comprise of Independent Directors as per the Listing Agreement. The Board is classified broadly as follows:

Sl. No	Name of the Director	Status	Category	Shareholding in the Company
1.	Mr. Dillip Kumar Das	Chairman & Managing Director	Promoter and Executive Director	1008764
2.	Mr. Deepak Kumar Das	Whole-time Director (Finance)	Promoter and Executive Director	57000
3	Mr. Debasis Das	Whole –time Director	Executive and Non-independent Director. (Relative of Promoters)	121683
4.	Mr.Santosh Kumar Patnaik	Whole-time Director	Executive and Non independent Director.	200
5.	Mr.Supratim Basu	Director	Non-Executive and Non-independent Director	–
6.	Mr. Santosh Kumar Nanda	Director	Non-Executive and Independent Director	–
7.	Dr. Nitai Chandra Pal	Director	Non-Executive and Independent Director	–
8.	Mr. Sambit Mohanty	Director	Non-Executive and Independent Director	–
9.	Mr. Niranjana Mohanty	Director	Non-Executive and Independent Director	–
10.	Mr. B.N.R.Patnaik.	Director	Non-Executive and Independent Director	–