



CONTENTS

Board of Directors	: 2
Notice of Annual General Meeting	: 3
Directors' Report	: 08
Annexure to Directors' Report	: 11
Management Discussion & Analysis	: 22
Auditor's Report on Corporate Governance	: 24
Auditor's Report	: 25
Accounts	: 30
Accounting Policies	: 43
CONSOLIDATED FINANCIAL STATEMENTS	
Auditor's Report	: 50
Accounts	: 52
Accounting Policies	: 65
SUBSIDIARY COMPANY	
Director's Report	: 72
Compliance Certificate	: 73
Auditor's Report	: 75
Accounts	: 78
Attendance Slip & Proxy Form	: 83
Information Sheet of Shareholder	: 85

32nd Annual General Meeting

*on Wednesday, the 13th day of August, 2014 at 12.30 P.M.
at Hotel VITS, Cuttack Puri Road, Bhubaneswar – 751 006.*



ALFA TRANSFORMERS LIMITED

BOARD OF DIRECTORS	Mr. Dillip Kumar Das Mr. Deepak Kumar Das Mr. Debasis Das Mr. S.K.Nanda Dr. N. C. Pal Mr. Sambit Mohanty Mr. Niranjana Mohanty Mr. B.N.R. Patnaik	Chairman & Managing Director Whole-time Director (Finance)&CFO Whole-time Director (Marketing) Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director
COMPANY SECRETARY	Mr. Susanta Kumar Satpathy	
AUDITORS	A.K.Sabat & Co. Chartered Accountants, A/348, Sahid Nagar, Bhubaneswar -751007	
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	
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 FACTORY	Plot No. 3337, Mancheswar Industrial Estate, Bhubaneswar – 751010 Unit - I, Plot No. 3337, 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, Gujarat	
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	



NOTICE

NOTICE is hereby given that the **32nd Annual General Meeting** of the members of Alfa Transformers Limited will be held on Wednesday the 13th day of August, 2014 at 12.30 P.M at HOTEL VITS, Cuttack Puri Road, Bhubaneswar-751 006, to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March 2014. 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. Niranjana Mohanty (DIN: 00916858), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Mr. S.K. Nanda: DIN: 00463749), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint statutory Auditors of the company and fix his 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 and other applicable provisions, if any of companies Act, 2013 including any statutory modification or re-enactment therefore for the time being in force, M/s A.K. Sabat & Co, Chartered Accountants (Reg. No.321012E) be and are hereby appointed as statutory Auditors of the company to hold office from the conclusion of this Annual General meeting. Till the conclusion of the next Annual General meeting of the company as such remuneration as shall be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS:

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

“RESOLVED THAT in accordance with the provisions of section 196, 197 and 203 read with schedule V and all other applicable provisions of companies Act 2013 and the companies (appointment and remuneration) Rules 2014 including any statutory modifications or re-enactment thereof for the time being in force and subject to other approvals as may be necessary, approval of the company be and is hereby accorded to the re-appointment of Mr. Deepak Kumar Das (DIN:00402984), as whole-time Director (Chief Financial Officer) of the Company for period of Five years, with effect from 02nd January 2014 on the terms and conditions as approved by Board on its meeting on 12.11.2013 with remuneration as fixed by the Company from time to time.

6. To consider & if thought fit to fix salary, perquisites and allowances per annum for CMD & other whole time Directors and pass with or without modifications the following resolution as on **Ordinary Resolution**.

“RESOLVED THAT in accordance with the provisions of section 196, 197, & 203 read with, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 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 for fixation of annual salary perquisites and allowances etc. for Sri Dillip Kumar Das, CMD, Deepak Kumar Das & Debasis Das, whole time Directors of the Company with effect from 01.04.2014 for two years as per details given hereunder :

A) ANNUAL SALARY & PERQUISITES

Name	Salary	(in Lakhs)
		Perquisites & Allowances
DILLIP KUMAR DAS, CMD	13.80	1.20
DEEPAK KUMAR DAS, Whole time Director	7.20	0.80
DEBASIS DAS, Whole time Director	7.20	0.80

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 BONUS

Performance Bonus/Commission @3% of Net Profit for CMD and @1.5% of net profit for Whole time Directors for each Financial Year or part there-of, computed in the manner as prescribed under Sections 197, 203 and other applicable provisions of the Companies Act 2013 read with Schedule V to the Act as may for the time being in force.

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 REMUNERATIONS

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director



ALFA TRANSFORMERS LIMITED

/ Whole time Director, the payment of salary, commission & perquisites shall be governed by the limits prescribed under Part-II of Section-II of Schedule V of the Companies Act, 2013 as may for the time being in force.

E) GENERAL

- 1) The Managing Director and the Whole time Director will perform their 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 Whole time Director will be under the overall authority of the Managing Director.
- 2) The Managing Director and 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 Managing Director and the Whole time Directors shall adhere to the Company's code of Business Conduct & Ethics for Directors and Management personnel.
- 4) The office of the Managing Director and the Whole time Director may be terminated by the Company or the concerned Director by giving the other 3(three) months prior notice in writing.

ITEM NO. 7. FOR POWERS FOR DISPOSAL OF UNDERTAKING U/S 180 (1) (a):

To consider and, if thought fit, to pass with or without modification the following resolution as **Special Resolution**.

RESOLVED THAT pursuant to the provisions of section 180 (1) (a) and other provisions, if any of the companies Act 2013, the consent of the company be and is hereby accorded to the Board of Directors of the company to dispose the whole of the factory Unit at Plot No.1046, 1047 & 1048, GIDC Estate Waghodia, Vadodara-391760, Gujarat in the shape of outright sale or transfer to a wholly owned subsidiary company of Alfa Transformers Ltd.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to finalized the documents for creating the aforesaid transfer of Factory Units & assets, and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution.

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 102 (1) of the Companies Act, 2013 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 **Monday the 04th August, 2014 to Wednesday, 13th August, 2014 (both days inclusive)** in terms of provisions of section 91 of the Companies Act, 2013.
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 31.03.2014 are Rs.1, 43,796 & Rs.1, 86,022 respectively.

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 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, 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.

Annual Report 2014

- (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.
 14. In compliance with the provisions of section 108 of the Companies Act 2013 and the rules framed there under and as per Clause 35B of Listing agreement, 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 Thursday 31st July 2014, 10.00am and ends on Saturday the 02nd August 2014 at 6.00 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 30.06.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "COMPANY NAME: Alfa Transformers Ltd" from the drop down menu and click on "SUBMIT"
- (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.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If 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 (v).



ALFA TRANSFORMERS LIMITED

- (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: 140705005 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) Note for Institutional Shareholders
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> 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 they have to create 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 should be mailed 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.
- (xx) 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:

- i. The e-voting period commence on Thursday 31st July 2014 (10.00 a. m.) and end on Saturday 02nd August 2014 (6.00 P.m.). During this period, member of the company holding share either in physical form or in dematerialize form as on 30 June 2014 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.
- ii. The voting rights of members shall be incorporation to their shares of the paid-up equity share capital of the company as on 30 June 2014.
- iii. Mr. Saroj Ray & Associates Practicing company secretary of the company (membership No: FCS 5098 has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv. The scrutinizer, shall, within a period not exceeding three working days 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 favour or against, if any, forthwith to the chairman of the company.
- v. 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 32nd AGM of the company on 13th August 2014 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.5 and 6 :

The Board of Director of the company (the Board) at its meeting held on 12th November 2013 has subject to approval of members re-appointed Mr. Deepak Kumar Das as whole-time Director for a period of 5 years with effect from 02.01.2014, with the remuneration as fixed by the Company from time to time.

Further the boards at its meeting held on 27th May 2014 subject to approval of the members provide remuneration to Managing Director

Annual Report 2014

& other whole time Directors at the remuneration recommended by the Nomination & remuneration Committee of the Board.

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: The Board of Directors, in its meeting held on 27th May 2014 had decided that in order to better management of the company should take up dispose of the whole of the factory Unit at Plot No.1046, 1047 & 1048, GIDC Estate Waghodia, Vadodara-391760, Gujarat in the shape of outright sale or transfer to a wholly owned subsidiary company of Alfa Transformers Ltd.

None of the Directors of the Company are concerned or interested in the proposed resolution, except to the extent of their holding of equity shares in the Company.

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. Niranjan Mohanty:

Mr. Niranjan Mohanty, aged 63 years, is M.Sc. in Physics from Ravenshaw College, Cuttack under Utkal University and Post Graduate Diploma in Business Administration from Indian Institute of Ahmedabad. He has also completed six week training course of Small Industries Extension Training Institute. He started his carrier in Union Bank of India and worked there for two years. After that, he worked in IPICOL as a Manager Investment for five years. After resigned from the service, he started his own industries in Garment manufacturing and export, Fishing net manufacturing etc. He has over 29 years of experience as an entrepreneur. Presently, he is the Director of Magnum Apparel Private Limited, Intemark Private Limited, Utkal Chamber of Commerce and Industries Limited, Orissa Knit Complex Private Limited, Cyberscribe Technologies Private Limited, Utkal Infrastructure Development Consortium Private Limited. He was the President of Utkal Chamber of Commerce & Industries. He has extra curricular activities i.e. play writing for stage and AIR, represented during his college carrier at Ravenshaw College, Cuttack and IIM, Ahmedabad in Football.

Item No.3 of Notice of AGM

Brief Profile of Mr. Santosh Kumar Nanda:

Mr. Santosh Kumar Nanda, aged 85 years is a Post Graduate in Electrical Technology from Indian Institute of Science, Bangalore. He is also Fellow member of Institute of Engineers India, past Chairman of Institute of Engineers India, Orissa Centre and past Chairman of Confederation Engineering Industry. He started his carrier as Assistant Electrical Engineer in Electricity Department of Government of Orissa and retired from the Government services as Chairman, Orissa State Electricity Board. After his retirement,

he worked as Charter Engineers & Electrical Consultants. He is also a Director in India Power Corporation Limited and India Power Corporation (Haldia) Limited. He is the Chairman of Audit Committee and Remuneration Committee of your Company.

Item No.5 of Notice of AGM

Brief Profile of Mr. Deepak Kumar Das

Mr. Deepak Kumar Das, aged about 64 years of age, is Post Graduate in Chemistry from Utkal University. He started his carrier as Lecturer in Chemistry in Government College and resigned there from to join in his brother in promoting M/s Alfa Transformers Limited. He has over 29 years of experience in business including Finance and Management functions. Presently, he is Director (Finance) of your Company.

He is the Director of Industrial Designs & Services Limited and Alfa Infraventures Private Limited, and nominee Director of Phoenix Surgicare Private Limited, (A 100% Subsidiary Company of Alfa Transformers Limited). He is also a member of Share Transfer and Investor Grievance Committee of your Company.

Item No.6 of Notice of AGM

Brief Profile of Mr. Dillip Kumar Das

Mr. Dillip Kumar Das, 66 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.6 of Notice of AGM

Brief Profile of Mr. Debasis Das

Mr. Debasis Das, aged about 39 years of age, 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 has started his carrier as an Assistant Manager (Marketing) in your Company. Due to his sincere and dedicated efforts, the Company could able to increase its sales in domestic market. He was appointed as Additional Director in the Board in their meeting held on 28.06.2004.

He is a Director of Phoenix Surgicare Private Limited, (A 100% Subsidiary Company of Alfa Transformers Limited). He is also member of Remuneration Committee & Share Transfer and Investor Grievance Committee of your Company.

PLACE : BHUBANESWAR

Date: 27th May, 2014

CIN : L31002OR1982PLC001151

Regd. Office : Plot No. 3337, Mancheswar I.E.

Bhubaneswar - 751010

E-mail : info@alfa.in/sales@alfa.in

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

**Sd/-
COMPANY SECRETARY**

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

We are pleased to present the Thirty-two Annual Report, Audited Accounts and Auditors report of your Company for the financial year ending 31st March'2014.

FINANCIAL RESULTS:

The summarized financial results of our operations for the Financial Year ending 31st March'2014 is detailed hereunder.
(Rs.in lakhs)

Particulars	2013-14	2012-13
1. Net Sales/Income from operations	2624.25	2147.88
2. Other Income	52.72	14.72
3. Total Income (1+2)	2676.97	2162.60
4. Profit /(Loss) before Interest & Depreciation& Tax	64.89	(20.46)
5. Less : Interest & Finance charges	196.56	243.14
6. Less : Depreciation	84.34	91.50
7. Profit / (Loss) before Exceptional Items (4-5-6)	(216.01)	(355.10)
8. Add : Exceptional items	201.92	—
9. Profit /(Loss) Before Tax (7+8)	(14.09)	(355.10)
10. Less : Income Tax-Earlier Years	—	(0.95)
11. Net Profit /(Loss) after Tax (9-10)	(14.09)	(356.05)
12. Add : Balance carried forward from Profit and Loss A/c.	(472.30)	(116.25)
13. Balance Carried to Balance Sheet (11+12)	(486.39)	(472.30)
14. Earning Per Share (Basic & Diluted)	(0.26)	(6.64)

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

FINANCIAL PERFORMANCE:

- The total income of the company has increased by approximately 23.78% and the loss was reduced to Rs. 14.09 lakhs during the year against the previous year loss of Rs. 356.05 Lakhs.
- Bad Debt of Rs.215 lakhs was written off during the year against old outstanding receivable from Govt. Electricity Utility Companies, Maytas Infra (Now IL&FS Infra) & ECCO, Libya, which could not be collected in spite of best efforts.
- In addition, the company has also received Rs.232.33 Lakhs during the year out of sale of unutilized, non industrial Land
- Working capital & term Loan were substantially reduced during the year as detail below :

	<u>F.Y 2012-13</u>	<u>F.Y. 2013-14</u>	<u>(Rs.in Lakhs) Changes</u>
a. Working capital Loan			
From SBI	791.98	576.90	– 215.08
From AXIS BANK	243.05	137.35	– 105.70
b. Term Loan			
From SBI - I	22.50	Nil	– 22.50
From SBI WTCL	79.00	Nil	– 79.00
From AXIS BANK	67.02	34.52	– 32.50
c. Interest & Financial Charges	243.14	196.56	– 46.58

- This has resulted in reduction of financial charges from 243.14 lakhs to 196.56 lakhs.

FUTURE PROSPECTS:

Sales are expected to grow to Rs.31.00 Cores from Rs.26.25 cores. We are expecting to get order worth Rs.8.00 cores at Boroda Units

The company is trying to review export markets in Nepal & Bangladesh.

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 .Land at Nasik is sold for Rs. 36.70 Lakhs.

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, 2014 are annexed.

Annual Report 2014

Star Export House:

Your Company continues to enjoy "Star Export House" status from the Government of India . During the year under review, the Company has got the award of **STAR PERFORMER FOR THE YEAR 2008-09** from EEPICINDIA (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. Niranjana Mohanty(DIN:00916858, and Mr. S.K. Nanda(DIN:00463749) retire by rotation at the ensuing Annual General meeting and, being eligible, may offer themselves for reappointment. Your Directors recommend their reappointment.

Mr. Supratim Basu Non-executive & Non Independent Director resigned w.e.f.23rd July 2013 and Mr. Santosh Kumar Patnaik whole-Time Director retired on 21st February 2014. We all appreciate and convey our gratitude for the contribution made by Mr. Basu & Mr.Patnaik for their dedicated and sincere efforts for the company.

COST AUDITOR:

The company has appointed M/s S. S. Sonthalia & Co. Cost Accountants, Bhubaneswar to audit the cost accounts for the financial year 2014-15. Mr. Sonthalia has submitted his consent letter along with the eligibility certificate under section 141(3)(g) of companies Act 2013, for the year 2014-15

SECRETARIAL AUDITOR:

The company has appointed M/S Saroj Ray & Associates Company Secretaries, Bhubaneswar (under Section 204 of Companies Act 2013) for the financial year 2014-15. Mr. Saroj Kumar Ray has submitted his consent letter along with the eligibility certificate under section 141(3) (g) of companies Act 2013, for the year 2014-15

AUDITORS REPORT & AUDITORS' OBSERVATION:

There is no audit qualification in the Company's financial statements. The company continues to adopt practices to ensure best practice as per Indian Accounting Standards. The Notes on Accounts referred to in the Auditors' Report enclosed are self-explanatory and do not call for any further comments.

AUDITORS:

M/s A.K. Sabat & Co, Chartered Accountants, Bhubaneswar retires at the ensuing Annual General Meeting and has given their consent for re-appointment along with the eligibility certificate as per Section 141(3) (g) of the Companies Act, 2013.

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, 2014 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.

TRANSFER TO GENERAL RESERVE:

During the financial year ending on 31st March, 2014, 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, AND 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 (AS-3) of 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 2014-15 have been paid.

Voluntary Delisting from Bhubaneswar and Calcutta Stock Exchanges:- The company has submitted all documents as per rule to Bhubaneswar & Calcutta stock Exchange for delisting of shares since 1st July 2003 ,Permission is still awaited.



ALFA TRANSFORMERS LIMITED

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, 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:

The ISO 9001-2008 for quality management system with respect to “Design, Manufacture, Repair and sales of Power Transformers & Distribution Transformers” and “Manufacturing of CRGO Core Laminations , CRGO Wound Core and Amorphous Core “ was accredited by TUV SUD South Asia Private Limited.

INDUSTRIAL RELATIONS:

The industrial relations continued to be generally peaceful & cordial.

MANAGEMENT’S DISCUSSION 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 continued co-operation and excellent support received during the year.

FOR AND ON BEHALF OF THE BOARD

PLACE : BHUBANESWAR DILLIP KUMAR DAS
DATE : 27th May, 2014 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, 2014:

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:

(Rs in Lakhs)

Year	2013-2014	2012-2013
Expenditure	0.15	1.65
Earning	414.41	561.49

FOR AND ON BEHALF OF THE BOARD

PLACE : BHUBANESWAR DILLIP KUMAR DAS
DATE : 27th May, 2014 CHAIRMAN