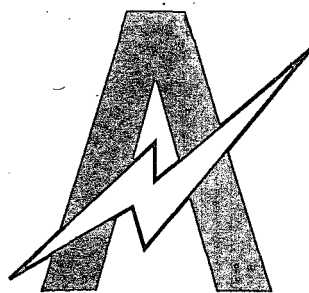


19th
ANNUAL REPORT
2006 - 2007

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ACCURATE TRANSFORMERS LTD.

AN ISO 9001 COMPANY



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**ACCURATE TRANSFORMERS LTD.**

Board of Directors	: Shri C. L. Sharma, Chairman & Managing Director Shri M. K. Basak, Whole Time Director Shri O. P. Sharma, Whole Time Director Shri K. L. Chauhan, Director Shri Bhupal Singh, Director Dr. Om Prakash Sharma, Director
Company Secretary	: Shri V. K. Chhabra
Registered Office	: 8, L.S.C., Vardhman Sidhant Plaza, Savita Vihar, Delhi - 110 092
Works	: 1) Meerut Road ,Opp. Raj Nagar Chowki, Ghaziabad, U.P. 2) D-16-17, UPSIDC Industrial Area, Greater Noida, U.P. 3) A-97, UPSIDC Industrial Area, Sikandrabad, U.P. 4) 1394/2, M. Langha Road, Dehradun, Uttranchal 5) Plot No.2, Sector 8A, Integrated Industrial Area, Rani Pur Haridwar, Uttranchal. 6) F-88, Industrial Area, Jamalpur Khurd, Bahadrabad, Haridwar Uttranchal.
Auditors	: S. Lal & Company 87 - 88, Navyug Market Ghaziabad (U.P)
Bankers	: Bank of Maharashtra Preet Vihar, Delhi 110 092 IndusInd Bank World Trade Centre Nehru Place, New Delhi 110 019
Registrar & Transfer Agent (RTA)	: MAS Services Ltd. AB-4, Safdarjung Enclave New Delhi 110 029 Tel: 011 2610 4142



ACCURATE TRANSFORMERS LTD.

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the members of Accurate Transformers Limited will be held on Friday, the 30th day of November, 2007 at 09.00A.M. at Carnival Farm House, G.T. Karnal Road, Alipur, Delhi -110036 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March 2007, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri K.L.Chauhan who retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.
3. To consider and, if thought fit to pass with or without modification (s), the following as an Ordinary Resolution:-

"RESOLVED that pursuant to Section 224 of the Companies Act, 1956 M/s.S.Lal and Company, 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 the next Annual General Meeting of the Company at such remuneration as may be fixed by the Board of Directors of the Company in consultation with the Statutory Auditors."

SPECIAL BUSINESS

4. To appoint Shri Bhupal Singh as a Director.
To consider and, if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that Shri Bhupal Singh be and is hereby appointed as a Director liable to retire by rotation"
5. To appoint Dr Om Prakash Sharma as a Director.
To consider and, if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:



ACCURATE TRANSFORMERS LTD.

"RESOLVED that Dr Om Prakash Sharma be and is hereby appointed as a Director liable to retire by rotation"

6. To change the Terms and Conditions of Appointment of Managing Director

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

"RESOLVED that in partial modification of the Resolution passed at the 15th Annual General Meeting of the Company held on September 30, 2003 for the appointment and terms of remuneration of Shri C.L.Sharma, Managing Director and in accordance with the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or any statutory amendment or re-enactment thereof and subject to such other approvals as may be necessary approval be and is hereby accorded to the modification in the terms of remuneration payable to Sh. C.L.Sharma, Managing Director of the Company with effect from April 01, 2007 for the remaining period of his appointment as set out in the Explanatory Statement".

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to alter or vary the terms of appointment of the appointee including relating to remuneration as it may, at its discretion, deem fit from time to time so as not to exceed the limits specified in Schedule XIII to the Companies Act 1956 or any statutory amendment or re-enactment thereof".

"RESOLVED FURTHER that pursuant to all applicable provisions of the Companies Act, 1956, the revised remuneration, as set out in Explanatory Statement be paid as the minimum remuneration, in case of inadequacy of profits, during the residual tenure of appointment of the Managing Director."

7. Delisting of Shares from Delhi, Ahmedabad, Jaipur and Uttar Pradesh Stock Exchanges

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

"RESOLVED THAT pursuant to the SEBI (Delisting of Securities) Guidelines, 2003 and subject to such other approvals as may be required delisting of the Equity Shares of the Company from Delhi Stock Exchange Association Ltd, New Delhi, Uttar Pradesh Stock Exchange Ltd. Kanpur, Ahmedabad Stock Exchange Ltd., Ahmedabad and Jaipur Stock Exchange Ltd. Jaipur be and is hereby approved".



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“RESOLVED FURTHER that Board of Directors be and is hereby authorized to do all other ancillary and consequential matters to get the equity shares delisted from the stock exchanges mentioned above”.

Registered Office

8, L.S.C, Vardhman Sidhant Plaza
Savita Vihar
Delhi 110092

By order of the Board
For Accurate Transformers Ltd

V.K.Chhabra
Company Secretary

Dated: 31st October, 2007

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The proxy 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. The blank proxy form is enclosed.
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 forms part of this Notice.
3. The Company has taken approval from the Registrar of Companies, Ministry of Corporate Affairs for extension of two months in holding the Annual General Meeting.
4. Register of Members and Share Transfer Books of the Company will remain closed from 24th November, 2007 to 30th November, 2007 (both days inclusive).
5. Members seeking any information on the accounts and operations of the Company are requested to write to the Company at least 10 days in advance from the date of the meeting so that required information may be made available to them at the meeting.
6. Members are requested to correspond directly with our Registrar and Transfer Agent for transfer of shares and dematerialisation and any other matter concerned or related to shares. It would save time and help us in expediting the services to shareholders.
7. Members are requested to intimate change in their address, if any, to the Company quoting their Folio Number and Postal Pin Code No.

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8. Members are requested to bring their copies of Annual Report at the meeting as additional copies are not to be circulated in the meeting.
9. Members attending the meeting are requested to bring their Attendance Slips duly filled in and deliver the same at the entrance of the meeting.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No. 2

BRIEF PROFILE OF SHRI K.L. CHAUHAN SEEKING RE-APPOINTMENT

Name: Mr Kundan Lal Chauhan

Fathers Name: Sh Buta Mal Chauhan

Designation: Independent Director.

Date of Appointment: 31-01-1997

Date of Birth: 10-02-1935

Address: G-2 Block, Sterling Apartments, Charm Wood Village, Eros Garden, Suraj Kund Road, Faridabad, Haryana.- 122016

Qualification: B.E (Electrical Engineering)

No. of Board Meetings held during his tenure: Ten

No. of Board Meetings attended: Eight

Member of Board or Committee of Board of other Companies: None

Mr Kundan Lal Chauhan joined his first service as Assistant Engineer with Punjab State Electricity Board, Patiala in 1960. With the hard work, dedication and sincerely he has attained various senior positions with the Board. He held the position as in-charge of procurement of Centrally Purchase Engineering Equipments for several years. He also worked as Director Monitoring responsible for timely implementation of new thermal and hydro plants. He was reporting to Chairman in this assignment. He also held the position of Deputy Secretary (Personal) as well as Executive Engineer System Study. He was elevated to the position of Engineer in Chief as well as Officer on Special Duty (attached with Chairman). He retired from Punjab State Electricity Board in 1993.

Item No. 4

Brief Profile of Mr. Bhupal Singh

Mr. Bhupal Singh was appointed as an independent Additional Director on the Board w.e.f. 31-01-2007 with a view to making the Board of Directors more

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broadbased and bringing about greater effectiveness in the decision making process. He holds office upto conclusion of forthcoming Annual General Meeting of the Company under Section 260 of the Companies Act 1956 and is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing his candidature for the office of Director. Brief profile is given below:

Name: Mr. Bhupal Singh

Fathers Name: Sh. Laxman Singh

Designation: Independent Director.

Date of Appointment: 31-01-2007

Date of Birth: 04-10-1929

Address: 357, Civil Lines, Kutcheri, Meerut, U.P.

Qualification: B.Sc, B.E (Electrical) from University of Roorkee

No. of Board Meetings held upto 31st March, 2007: One

No. of Board Meetings attended: One

Member of Board or Committee of Board of other Companies: None

Mr Bhupal Singh started his illustrious career in 1953 by joining service with Ministry of Power, U.P Govt. as Assistant Engineer. Later on U.P State Electricity Board was carved out of Ministry of Power and his services were transferred to the said Board. He served on various senior positions with the Board. By dedication, sincerity and hard work he rose to the position of Chairman of U.P State Electricity Board. He retired from the position of Chairman in 1989 after serving for about 37 years. During his illustrious career he has opportunity to visit and examine closely electricity installations and power utilities of globe including at U.S.A, Japan, Italy, France, Sweden and Switzerland etc. Since then he is working as Electrical Consultant.

The Board recommends the appointment of Mr Bhupal Singh as Director.

None of the Directors, except Mr. Bhupal Singh is interested in the Resolution.

Item No.5**Brief Profile of Dr. Om Prakash Sharma**

Dr. Om Prakash Sharma was appointed as an independent Additional Director on the Board w.e.f. 31-01-2007. He holds office upto conclusion of forthcoming Annual General Meeting of the Company under Section 260 of the Companies Act 1956 and



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is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a Member proposing his candidature for the office of Director. Brief profile is given below:

Name: Dr. Om Prakash Sharma

Fathers Name: Shri Sher Singh Sharma

Designation: Independent Director

Date of Appointment: 31-01-2007

Date of Birth: 01-12-1949

No. of Board Meetings held upto 31st March, 2007: One

No. of Board Meetings attended: One

Member of Board or Committee of Board of other Companies: None

Dr. O.P.Sharma has done M.A (Pol. Sc.) in 1974 and started his career as lecturer in Political Science. Thereafter he has done Doctorate in Political Science in 1987. He was promoted to the position of Principal of Shri Jai Singh Inter College, Pachauta, Distt. Bulandshahr, U.P. in 1995. He is an ardent sports lover. He is a dedicated worker of Bharat Scouts & Guides. Presently he is Chief Commissioner of District Bulandshahr Bharat Scouts & Guides.

The Board recommends the appointment of Dr Om Prakash Sharma as Director.

None of the Directors, except Dr. O P Sharma is interested in the Resolution

Item No. 6

During the last few years the Company has witnessed impressive growth in turnover and profitability. Accordingly as part of employees' care initiative the remuneration at all levels except for the Managing Director was increased.

Keeping in view the present remuneration of Managing Directors vis-à-vis current industry norms, the Board of Directors reviewed and proposed to increase the remuneration of Managing Director of the Company as under:

Name and Designation	Tenure upto	Present Pay Scale & Basic Salary p.m (Rs.)	Proposed Pay Scale & Basic Salary p.m (Rs.)
Sh. C.L.Sharma Managing Director	31-07-2008	50,000 - 5,000 - 70,000	2,00,000 - 25,000 - 2,25,000



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Besides the above salary the Managing Director shall also be entitled to perquisites which may include accommodation / HRA, reimbursement of expenses for gas, electricity, water and furnishings, medical reimbursement, LTC, personal accident insurance, use of car and telephone, contribution to Provident Fund, superannuation fund or annuity fund, gratuity payable at a rate not exceeding half a month's salary for each completed year of service and leave encashment at the end of the tenure. Perquisites shall be restricted to an amount equal to the annual salary or the amount of entitlement in accordance with Schedule XIII to the Companies Act 1956 as amended from time to time whichever is less.

Besides the above salary and perquisites a commission @ 4% of net profits of the Company but restricted to 10% of net profits of the Company as salary and perquisites for all working directors shall be payable to the Managing Director.

The above remuneration, perquisites and commission shall also be paid as minimum remuneration to Shri C.L. Sharma, Managing Director in the event of absence or inadequacy of profit in any year during the remaining tenure of his appointment.

This may also be treated as compliance of Section 302 of the Companies Act, 1956.

None of the Directors except Mr. C.L.Sharma is interested in the Resolution.

Item No.7

The equity shares of the Company are presently listed on the following Stock Exchanges:

1. The Stock Exchange, Mumbai (BSE)
2. The Delhi Stock Exchange, Delhi (DSE)
3. The Uttar Pradesh Stock Exchange, Kanpur
4. The Ahmedabad Stock Exchange, Ahmedabad
5. Jaipur Stock Exchange, Jaipur

The trading of the Company's equity shares is taking place on Bombay Stock Exchange. There has been no trading of Company's equity shares on the Delhi, Kanpur, Ahmedabad and Jaipur Stock Exchanges for the last several years. In terms of the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003, it has been decided to delist the shares from Delhi, Kanpur, Ahmedabad and Jaipur Stock Exchanges. As the shares would continue to be listed on Bombay Stock