



THE POWER OF INDUSTRY

VOLTAMP TRANSFORMERS LIMITED

47th Annual Report 2013-2014

VOLTAMP TRANSFORMERS LIMITED

BOARD OF DIRECTORS

Shri Lalitkumar H. Patel	Chairman (Chairman & Director upto 17.05.2013)
Shri Kanubhai S. Patel	Chairman & Managing Director (Chairman w.e.f. 17.05.2013)
Shri Kunjal L. Patel	Vice Chairman & Managing Director
Shri Kewalkrishna G. Tuli	Director
Shri Vasantlal L. Patel	Director
Shri Jagannath S. Aiyar	Director (upto 13.02.2014)
Shri Arvind N. Shelat	Director
Shri Vallabh N. Madhani	Director

BANKERS:

- 1) ICICI BANK LTD.**
Land Mark Building,
Race Course Circle,
Vadodara – 390007,
Gujarat.
- 2) AXIS BANK LTD.**
Vardhman Complex,
Opp. GEB Office,
Race Course Circle,
Vadodara – 390007,
Gujarat.
- 3) BANK OF BARODA**
Sayajigunj Branch,
Vadodara - 390005,
Gujarat.

DIRECTOR & COMPANY SECRETARY :

Shri Vallabh N. Madhani

AUDITORS:

M/S. CHANDULAL M. SHAH & CO.
Chartered Accountants
601, Samruddhi, Opp. Sakar III,
Sattar Taluka Society,
Ahmedabad - 380014, Gujarat.

REGISTRAR & SHARE TRANSFER AGENT:

LINK INTIME INDIA PVT. LTD.
B- 102 & 103, Shangrila Complex,
First Floor, Opp. HDFC Bank,
Near Radhakrishna Char Rasta,
Vadodara – 390020, Gujarat.

REGISTERED OFFICE :

Makarpura, Vadodara – 390 014, Gujarat.

INDEX

	Page No.
Notice	2
Directors' Report	6
Report on Corporate Governance	10
Auditors' Certificate on Corporate Governance	17
Management Discussion and Analysis	18
Auditors' Report	20
Balance Sheet	23
Statement of Profit and Loss	24
Cash Flow Statement	25
Significant Accounting Policies and Notes on Financial Statements	26
Notes forming part of Financial Statements	28

NOTICE

Notice is hereby given to the Members of VOLTAMP TRANSFORMERS LIMITED, that the 47th Annual General Meeting of the Members of the Company will be held at Vadodara Chamber of Commerce & Industry, VCCI Commercial Complex, 2nd Floor, 73, GIDC, Makarpura, Vadodara – 390 010, on Thursday, 14th August, 2014 at 10:00 a.m. to transact the following business:

ORDINARY BUSINESS:

- 1) To receive and adopt the Audited Statement of Profit and Loss for the Financial Year ended 31st March, 2014, the Balance Sheet as on that date, the Directors' and the Auditors' Reports thereon.
- 2) To declare dividend on equity shares.
- 3) To appoint a Director in place of Shri Vallabh N. Madhani, who retires by rotation and being eligible offers himself for re-appointment.
- 4) To re-appoint Auditors of the Company 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 M/s. Chandulal M. Shah & Co. (Firm Registration No. 101698W) Chartered Accountants, be and are hereby re-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, at a remuneration as may be decided by the Board of Directors in consultation with them."

SPECIAL BUSINESS:

- 5) To appoint Shri Kewalkrishna G. Tuli (DIN: 00014349) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013, Shri Kewalkrishna G. Tuli (DIN: 00014349), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 52nd Annual General Meeting of the Company in the calendar year 2019."

- 6) To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015 and in this regard to consider and if thought it, 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, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Y. S. Thakar & Co., Cost Accountants, who has been appointed as the Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration of ` 60,000/- plus applicable taxes / levies and reimbursement of out of actual pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Regd. Office:

Makarpura, Vadodara
Gujarat – 390 014.

DATE : 6th May, 2014

CIN : L31100GJ1967PLC001437

e-mail : vnm_ipo@voltamptransformers.com

FOR AND ON BEHALF OF THE BOARD

V. N. MADHANI

DIRECTOR & COMPANY SECRETARY

NOTES:

- 1) AN EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013, RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING IS ANNEXED HERETO.
- 2) A MEMBER ENTITLED TO ATTEND THE MEETING AND VOTE THEREAT IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. DULY EXECUTED PROXIES MUST BE REGISTERED WITH THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.

A PERSON CAN ACT AS A 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) Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries in writing to the Company Secretary at least seven days in advance of the Meeting so that the information required can be made readily available at the Meeting.
- 4) Members are requested to bring their Attendance Slip along with their copy of the Annual Report to 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) Register of Members and Share Transfer Books will remain closed from Monday, 4th August, 2014 to Thursday, 14th August, 2014 (Both days inclusive).
- 8) The dividend as recommended by the Board, if sanctioned at the Meeting, will be paid to those Members or their mandatees whose names appear in the Register of Members on Thursday, 14th August, 2014, for those holding shares in physical form. In respect of the shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership as per the details furnished by the Depositories for this purpose at the end of business hours on Friday, 1st August, 2014.
- 9) 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.
- 10) As required under Clause 49(IV)(G) of the Listing Agreement with the Stock Exchanges, the relevant details of persons seeking appointment / reappointment as Directors are furnished in the Corporate Governance Report.
- 11) 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 47th 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 2014 are being sent by the permitted mode. Investors are requested to register their e-mail addresses with Link Intime India Pvt. Ltd. if shares are held in physical mode OR with their Depository Participant (s), if the holding is in electronic mode.
- 12) In terms of the provisions of Section 124 of the Companies Act, 2013 (corresponding to Section 205A of the Companies Act, 1956), 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 2006-07 is due for transfer to the IEPF in October 2014. In terms of provisions of Section 124 of the Companies Act, 2013 (corresponding to Section 205C of the Companies Act, 1956), no claim shall lie against the Company for the said Fund after the said transfer.
- 13) Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 47th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:

- (i) Open email and open PDF file viz; "Voltamp e- Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Voltamp Transformers Limited.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to vbhatt2004@yahoo.co.in with a copy marked to evoting@nsdl.co.in
- B.** In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password will be provided separately: EVEN (E Voting Event Number) USER ID PASSWORD/ PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II.** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
 - III.** If you are already registered with NSDL for evoting then you can use your existing user ID and password/PIN for casting your vote.
 - IV.** You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
 - V.** The e-voting period commences on 9th August, 2014 (9:00 am) and ends on 11th August, 2014 (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 of 30th June, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - VI.** The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 30th June, 2014.
 - VII.** Mr. Vijay Bhatt of M/s. Vijay Bhatt & Co., Company Secretaries, (Membership No. FCS: 4900) (Address 110, Rajvee Tower, Near Tube Company, Old Padra Road, Vadodara - 390 020) has been appointed as the Scrutinizer to scrutinize the evoting process in a fair and transparent manner.
 - VIII.** The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - IX.** The Results shall be declared at the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.voltamptransformers.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 5

Shri Kewalkrishna G. Tuli is an Independent Director of the Company and has held the position as such for almost 8 years. Shri Kewalkrishna G. Tuli retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions, if any, of the Companies Act, 2013, Shri Kewalkrishna G. Tuli being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five (5) consecutive years for a term upto conclusion of 52nd Annual General Meeting. A notice has been received from a member proposing Shri Kewalkrishna G. Tuli as a candidate for the office of Director of the Company for a term upto conclusion of 52nd Annual General Meeting of the Company to be held in calendar year 2019.

Shri Kewalkrishna G. Tuli is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Director. The Company has also received declaration from Shri Kewalkrishna G. Tuli that they meet with the criteria of independence as prescribed in section 149 of the Act.

In the opinion of the Board, Shri Kewalkrishna G. Tuli fulfills the conditions for appointment as an Independent Director as specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Kewalkrishna G. Tuli as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Brief resume of Shri Kewalkrishna G. Tuli and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding, etc. are provided in the Corporate Governance Report forming part of the Annual Report.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Kewalkrishna G. Tuli as an Independent Director.

Except Shri Kewalkrishna G. Tuli, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolutions set out at Item Nos. 5 of the Notice for approval by the shareholders.

Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Y. S. Thakar & 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, 2015. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

Regd. Office:

Makarpura, Vadodara
Gujarat – 390 014.

DATE : 6th May, 2014

CIN : L31100GJ1967PLC001437

e-mail : vnm_ipo@voltamptransformers.com

FOR AND ON BEHALF OF THE BOARD

V. N. MADHANI

DIRECTOR & COMPANY SECRETARY

DIRECTORS' REPORT

To,

The Members

VOLTAMP TRANSFORMERS LIMITED

Makarpura, Vadodara – 390014, Gujarat.

Your Directors have pleasure in presenting the 47th Annual Report and Accounts for the Financial Year ended 31st March, 2014.

WORKING RESULTS:

(` in Lacs)

PARTICULARS	2013-2014	2012-2013
Sales & Services Income	44477.50	51550.24
Profit before Financial Charges and Depreciation	4171.30	5419.78
Financial Charges (Bank Charges)	36.70	49.10
Depreciation	713.26	767.47
Profit before Taxation	3421.34	4603.21
Provisions for Taxation : Current Tax	825.00	1375.00
Deferred Tax	(32.58)	(61.63)
Net Profit for the year	2628.92	3289.84
Add: Previous years' surplus	1012.64	998.28
Profits available for appropriation:	3641.56	4288.12
Appropriation therefrom:		
A. Proposed Dividend	1011.71	1517.57
B. Dividend Tax on above	171.94	257.91
C. General Reserve	1500.00	1500.00
D. Surplus	957.91	1012.64
	3641.56	4288.12

DIVIDEND:

The Directors recommend payment of dividend @ 100 %, i.e. ` 10 per equity share of ` 10 each on 10117120 equity shares, for the year ended March 31, 2014.

PERFORMANCE REVIEW:

During the year under review, in the sluggish market condition, the Company could achieve Sales and Other Income, in monetary terms to ` 471.52 crores only as compared to ` 535.52 crores in the previous year. The sales in terms of volume reduced to 6628 MVA as compared to 7670 MVA in the previous year. The Profit Before Tax (PBT) was reduced to ` 34.21 crores as compared to ` 46.03 crores in the previous year and Profit After Tax (PAT) also reduced to ` 26.29 crores as compared to ` 32.90 crores in the previous year.

The year was even worse than the earlier 2 years and during the year under review, the profitability of the Company come down further, mainly due to intense price war amongst organized sector manufacturers because of over capacity in the Industry. Steep fall in Rupee value vs. US Dollar has substantially eroded available thin margins, as input cost has steeply gone up on import original raw material / components.

The financial year 2014-15 also started with lower order backlog of ` 256.41 crores (4481 MVA). The enquiry level remained low and the orders are booked on fixed price basis to feed the factories; with total uncertainty during its execution period, which remain area of major concern. With large unutilized capacity in Industry, aggressive pricing, continuing and highly volatile raw material prices, achieving break-even level remains

challenge for the Company. Receivables position has marginally improved compared to last year but timely realization of receivables still remains challenging area. The Company finds it difficult to sustain volume due to very low price realization.

For detailed analysis of the performance, please refer to the Management's Discussion and Analysis section of the annual report.

DISCLOSURE OF PARTICULARS:

The disclosure of particulars as required by Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure - I.

EMPLOYEES:

The industrial relations during the year under review have remained cordial and satisfactory. The Board thanks all the Employees for their valuable contribution to the working of the Company.

The statement under sub-section (2A) of Section 217 of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended and forming part of this report is given in Annexure - II. The said Annexure – II shall, however, be provided to the Members on request to be made to the Company Secretary at the Registered Office of the Company.

CORPORATE GOVERNANCE:

In line with requirement of the Listing Agreement with the Stock Exchanges, Report on Corporate Governance is given in Annexure - III.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report is given in Annexure - IV.

DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956:

The Directors confirm that:

- 1) In the preparation of the annual accounts, the applicable accounting standards have been followed by the Company.
- 2) Such accounting policies have been selected and consistently applied and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the profit of the Company for the year ended on that date.
- 3) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the applicable provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4) Annual accounts have been prepared on a going-concern basis.

DIRECTORS:

Shri Jagannath S. Aiyar has resigned from the office of Independent Director of the Company, due to advancement of his age and other pre-occupation. The members of the Board expressed their gratitude for the valuable services rendered by Shri Jagannath S. Aiyar.

To comply with the provisions of section 149 and section 152 of the Companies Act, 2013, the Board of Directors, at its meeting held on 06.05.2014, has changed the term of office of Shri K. S. Patel, Chairman and Managing Director and Shri K. L. Patel, Vice Chairman and Managing Director, of the company subject to retirement by rotation instead of not subject to retire by rotation.

As per the applicable provisions of the Companies Act, 2013, Shri Vallabh N. Madhani, Director of the Company retire by rotation, and being eligible offers himself for reappointment.

Shri Kewalkrishna G. Tuli, who is an Independent Director, retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years and shall not be liable to retire by rotation. In terms of the said provisions, the Company has received requisite notice in writing from a member proposing Shri Kewalkrishna G. Tuli for appointment as Independent Director.

Independent Directors who do not complete their term at the ensuing Annual General Meeting, will continue to hold office till the expiry of their term, and thereafter, the said Independent Directors will be eligible for re-appointment for a fixed term, in accordance with the Companies Act, 2013.

The Company has received declaration from all the Independent Directors of the Company, viz. Shri Kewalkrishna G. Tuli, Shri A. N. Shelat and Shri V. L. Patel, confirming that they meet with the criteria of independence as prescribed under the Companies Act, 2013 and clause 49 of the listing agreement.

All the directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of section 164 of the Companies Act, 2013.

AUDITORS:

The present Auditors of the Company M/s. Chandulal M. Shah & Co. are retiring at the forthcoming Annual General Meeting of the Company and are eligible for reappointment.

APPRECIATION AND ACKNOWLEDGEMENT:

Your Directors wish to convey their thanks to all the Company's valued Customers, Bankers, Vendors, Business Associates, Government Authorities, and Shareholders for their continued support and patronage to the Company.

The Board also expresses its appreciation towards the contribution made by all the Employees of the Company.

FOR AND ON BEHALF OF THE BOARD

Place : Vadodara
Date : 6th May, 2014

KANUBHAI S. PATEL
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE - I TO THE DIRECTORS' REPORT

A] CONSERVATION OF ENERGY:

- [a] Energy conservation measures taken :
1. Closely monitoring use of heating ovens.
 2. Use of energy efficient LED lighting and modernization in distribution system.
 3. Systematic studies of power consumption to avoid unwanted energy losses.
 4. Close monitoring and control of Diesel consumption.
 5. Timers in AC Circuits, to bring down Energy Consumption.
 6. Creating awareness among all employees to conserve energy.
 7. Use of energy efficient motors.
- [b] Additional investments and proposal if any, being implemented for reduction of consumption of energy:
1. State of art latest vapour phase drying ovens imported from Hedrich Germany.
 2. Installation of Vacuum Oven for distribution transformers manufacturing facility.
 3. Old cooling towers for Boiler replaced with Energy Efficient new one.
- [c] Impact of the measures at [a] and [b] above for reduction of energy consumption and consequent impact on the cost of production of goods:
- The various measures taken by the Company have resulted in reduction in consumption of energy and efforts are going on to further reduce the consumption of energy and the consequent impact on the cost of production.
- [d] Total energy consumption and energy consumption per unit of production as per Form-A: Not Applicable.

B] TECHNOLOGY ABSORPTION:

Research and Development (R&D):

- [a] Specific areas in which R&D carried out by the Company:
1. Short Circuit Force / Stress Calculations.
 2. Developed in house foil winding machine.
 3. Use of Special Bunch & CTC Conductors to minimize losses.
 4. Use of special CTC Conductor bending tools.
- [b] Benefits derived as a result of the above R&D :
1. Transformer is able to withstand severe short circuit conditions without deformation, hence reliability is ensured.
 2. Foil wound windings are better in mechanical stability even during abnormal forces.
 3. Price Competitiveness.
- [c] Further plan of action:
1. Continued emphasis on development of cost effective components and work on import substitution.
 2. Identification and narrowing down the gaps in the areas of product, process, manufacturing and information technologies.
 3. Wastage reduction / control by implementation of 5-S.

Technology Absorption, Adaptation & Innovation:

- [a] Efforts, in brief, made towards technology absorption, adaptation and innovation :
- Extensive training in technical and management fields with a special emphasis on Total Quality Management.
- [b] Benefits derived as a result of the above efforts: Improvement in product quality.
- [c] Technology imported during the last five years: NOT APPLICABLE

C] FOREIGN EXCHANGE EARNINGS AND OUTGO:

- [a] Foreign Exchange used : ` 5,51,75,539/-
- [b] Foreign Exchange earned : ` 4,80,43,672/-