



**TARAPUR**  
TRANSFORMERS LIMITED

**Annual Report 2013-2014**

**Board of Directors**

Mr. Rajendrakumar Anandilal Choudhary  
Mr. Naresh Kumar Choudhary  
Mr. Ramalingam Ganesh Subramanian Iyer  
Mr. Kesavan Mudakkarappillil Sugathan

Company Secretary & Compliance Officer  
Ms. Ekta Kumari

**Registered Office**

J-20, MIDC, Tarapur Industrial Area  
Boisar, Dist. Thane – 401506, Maharashtra  
Tel – +91 2525 605120  
Fax – +91 2525 645555  
Email – complianceofficer@tarapurtransformers.com

**Corporate Office**

836/837, 8th Floor, IJMIMA Complex  
Raheja Metroplex, Link Road  
Malad (West), Mumbai – 400064, Maharashtra  
Tel – +91 22 42728080  
Fax – +91 22 28811225

**UNITS****Pali Unit**

141, Manor Road, Village Pali  
Post – Posheri, Taluka – Wada, Dist. – Thane  
Tel – +91 2526 645977  
Fax – +91 2526 271154

**Vadodara Unit**

L/25/5, GIDC Industrial Estate  
Por – Ramangamdi, Vadodara, Gujarat  
Tel – +91 265 2830290 Fax – +91 265 2339629

**Statutory Auditors**

M/s Raman S. Shah & Associates  
Chartered Accountants  
Indra Darshan 'A' Wing 102, 1st Floor,  
Next to Jain Temple, Borivali (W),  
Mumbai – 400 092.

**Registrar & Share Transfer Agents for Physical & Electronic Shares**

Bigshare Services Private Limited  
E-2/3, Ansa Industrial Estate, Sakivihar Road,  
Saki Naka, Andheri (E), Mumbai – 400 072.  
Tel – +91 22 28470652  
Email: investor@bigshareonline.com

**Main Bankers**

Canara Bank  
Overseas Main Branch,  
211, Dalamal Tower, Nariman Point,  
Mumbai – 400021

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**CORPORATE IDENTITY NUMBER**

L99999MH1988PLC047303

**Website**

www.tarapurtransformers.com

**Investor Relations Email ID**

complianceofficer@tarapurtransformers.com

**Important Communication to Members**

*The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to update their email addresses with the Company or Registrar and Share Transfer Agents (Bigshare Services Pvt. Ltd.), to enable us to send all the documents through electronic mode in future.*



**NOTICE** is hereby given that the 26th Annual General Meeting of the Members of **Tarapur Transformers Limited** will be held at J-20, MIDC, Tarapur Industrial Area, Boisar, Thane- 401506, Maharashtra on Monday, 29th September, 2014 at 10.00 a.m. to transact with or without modification(s), as may be permissible, the following business:

**ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014 and statement of Profit & Loss Account for the year ended as on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajendrakumar Anandilal Choudhary (Din : 00494663) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:-**  
**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. Raman S. Shah & Associates, Chartered Accountants, Mumbai having firm registration number 119891W issued by the Institute of Chartered Accountants of India (ICAI), be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of Twenty Seventh Annual General Meeting (AGM) of the Company, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.  
**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to implement this resolution”.

**SPECIAL BUSINESS:-**

4. To appoint Mr. Kesavan Mudakkarappillil Sugathan( DIN: 00269892) 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 an Ordinary Resolution:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Kesavan Mudakkarappillil Sugathan( DIN: 00269892), who was appointed as a Director liable to retire by rotation, has submitted a declaration that he meets the criteria for Independent Director pursuant to section 149(6) of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from the said Director under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the company, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years starting from 29th September, 2014 up to 28th September, 2019 and whose office shall not be liable to retire by rotation.”
5. To appoint Mr. Ramalingam Ganesh Subramanian Iyer ( DIN : 01747352) 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 an Ordinary Resolution:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Ramalingam Ganesh Subramanian Iyer ( DIN: 01747352), who was appointed as a Director liable to retire by rotation, has submitted a declaration that he meets the criteria for Independent Director pursuant to section 149(6) of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from the said Director under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the company, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years starting from 29th September, 2014 up to 28th September, 2019 and whose office shall not be liable to retire by rotation.”

**NOTES:-**

- a. A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy / proxies to attend and vote on a poll instead of himself and the proxy / proxies need not be a member of the company. The instrument appointing proxy/proxies should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
- b. A person can act as proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share Capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- c. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
- d. The Company has notified closure of register of members and transfer books from Thursday, September 25, 2014 to Monday, September 29, 2014 (both days inclusive).
- e. Members holding shares in Physical form are requested to notify change of address, if any, to Registrar and Share Transfer Agents and those who hold shares in dematerialized form are requested to notify to their Depository participants their change in address.
- f. As per the provisions of the Companies Act, 2013, facility for making nomination is available to the shareholders in respect of the Shares held by them. Nomination Forms can be obtained from the registrar and share transfer agents of the Company.
- g. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their respective copy of the Annual Report to the Meeting and affix their signature at the place provided on the attendance slip annexed to the Proxy form and hand over the slip at the entrance to the place of the Meeting.
- h. Non – Resident Indian Members are requested to inform the Company's registrar and share transfer agents M/s. Bigshare Services Pvt. Ltd. immediately of -
  - a. The change in the residential status on return to India for permanent settlement.
  - b. The particulars of the bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- i. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of the 26th Annual General Meeting.
- j. Members holding shares in physical form and who have not registered their email IDs, are requested to register the same with the Company's



registrar and share transfer agents M/s. Bigshare Services Pvt. Ltd.

- k. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
- l. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's registrar and share transfer agents M/s. Bigshare Services Private Limited.
- m. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Members are provided with the facility to cast their vote electronically through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.

**Instructions for Members for e-voting are as under:-**

- i. Log on to the e-voting website <https://www.evotingindia.com>
- ii. Click on "Shareholders" tab.
- iii. Now, select "TARAPUR TRANSFORMERS LIMITED" from the drop down menu and click on "SUBMIT"
- iv. Now enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID). Members holding shares in physical form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- v. If you are holding shares in electronic form and had logged on to <https://www.evotingindia.com> and voted on an earlier e-voting of any company, then your existing password is to be used.
- vi. For Shareholders holding shares in physical form and first time users holding shares in electronic form, the steps given below are to be followed:

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/DP are requested to use the first two letters of their name in CAPITAL followed by the last 8 digits of their demat account number/Folio No., as the case may be, in the PAN field.</li> <li>● In case the Folio No. is less than 8 digits enter the applicable number of 0s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar and Folio No. is 1 then enter RA00000001 in the PAN field.</li> </ul>
Date of Birth or Date of Incorporation OR Bank Account Number	Enter the Date of Birth as recorded in your demat account or in the Company's records for the Said demat account in dd/mm/yyyy format or enter Folio No. OR Enter the Bank Account Number as recorded in your demat account or in the Company's records for the said demat account or Folio No. Please enter any one of the details in order to login. In case both the details are not recorded with the Depository or the Company, please enter the number of shares held in the Bank Account Number field.

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. For Members holding shares in physical form, the login details can be used only for e-voting on the resolutions contained in this Notice. On logging in, Members holding shares in physical form will be directed to the Company selection screen.
- ix. 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 electronic holders for voting on resolutions of other companies, as well, 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.
- x. Click on the EVSN for the TARAPUR TRANSFORMERS LIMITED.
- xi. 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.
- xii. Click on the "Resolutions File" Link if you wish to view the entire Notice.
- xiii. 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.
- xiv. Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the voting done by you.
- xvi. If an electronic account holder has forgotten the set password, then he has a 'Forgot password' option to reset the password.
- xvii. Note for Institutional Shareholders:
  - Institutional shareholders (i.e. other than Individuals, HUFs, NRIs etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, they have to create a compliance user 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](mailto: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 favor of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- xviii. 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 <https://www.evotingindia.com> under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Other Instructions:**

- i. The e-voting period commences on 23rd September, 2014 (10.00 A.M. IST) and ends on 25th September, 2014 (6.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in electronic form, as on 22nd August, 2014, may cast their vote electronically.



- The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast and confirmed by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 22nd August, 2014 which is the cutoff date for the purpose of e-voting.
  - iii. M/s. Bhuvnesh Bansal & Associates, Practicing Company Secretary (Membership No. FCS 6526 & COP 9089), has been appointed as the Scrutinizer to conduct 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 submit a Scrutinizer's Report of the votes cast in favor of or against, if any, forthwith to the Chairman of the Company.
  - v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.tarapurtransformers.com](http://www.tarapurtransformers.com) and on the website of CDSL <https://www.evoting.cdsl.com> within two days of the passing of the resolutions at the Twenty Sixth AGM of the Company on 29th September, 2014 and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

**By Order of the Board of Director  
For Tarapur Transformers Limited  
Ekta Kumari  
Company Secretary**

**Registered Office: -**

**J-20, MIDC, Tarapur Industrial Area, Boisar, Thane 401506.**

**Tel.: +91 22 42728080, Fax: +91 22 28811225**

**Website: [www.tarapurtransformers.com](http://www.tarapurtransformers.com) • E-mail: [complianceofficer@tarapurtransformers.com](mailto:complianceofficer@tarapurtransformers.com)**

**CIN-L99999MH1988PLC047303**

**Mumbai, 14th August, 2014**

**EXPLANATORY STATEMENT**

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following Explanatory Statement sets out the material facts relating to the business under Item No. 4 & 5 of the accompanying Notice:

**Item No. 4 & 5**

Pursuant to the provisions of Section 149 of the Companies Act, 2013, and amended Listing agreement the Board of Directors of the Company should have at least one-third of the total number of Directors as Independent Director. The tenure of Independent Director will be for a period of five years and provisions relating to retirement of Directors shall not be applicable to Independent Directors.

The Board recommends the appointment of Mr. Kesavan Mudakkarappillil Sugathan (DIN: 00269892) and Mr. Ramalingam Ganesh Subramanian Iyer (DIN: 01747352) as Independent Directors, in accordance with the Provisions of Section 149 read with Schedule IV of the Companies Act, 2013 to hold office for a term up to five consecutive years on the Board of Directors of the Company with effect from the date of this Annual General Meeting.

The Company has received Notices in writing from the respective directors along with the requisite Deposit in accordance with Section 160 of the Companies Act, 2013 proposing themselves as candidates to be appointed as Independent Directors.

The Company has also received the declarations from the above mentioned Independent Directors to the effect that they meet the criteria of Independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013 and clause 49 of the Listing Agreement.

In the opinion of Board, each of these Directors fulfill the conditions specified in the Companies Act, 2013 read with the relevant Rules and the Listing Agreement, for their respective appointment as Independent Director and they are independent of Management.

Brief Profile of an Independent Directors to be appointed, the nature of their expertise, names of Companies in which they hold Directorship and Membership/Chairmanship of Board Committee shareholding in the Company etc. as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange are furnished in the Corporate Governance Report forming part of the Annual Report.

The Board of Directors is confident that their vast knowledge and experience will be of great value to the Company and hence commends the resolution set out at item no. 4 & 5 of the notice as an ordinary resolution for the your approval.

The above Independent Directors are interested in the Resolutions mentioned at Item Nos. 4 & 5 of the Notice with regard to their respective appointments only.

Except as provided above, none of the other Directors, Key Managerial Personnel of the Company or their respective relative is in any way concerned or interested in the said resolutions. The explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

**By Order of the Board of Director  
For Tarapur Transformers Limited  
Ekta Kumari  
Company Secretary**

**Registered Office: -**

**J-20, MIDC, Tarapur Industrial Area, Boisar, Thane 401506.**

**Tel.: +91 22 42728080, Fax: +91 22 28811225**

**Website: [www.tarapurtransformers.com](http://www.tarapurtransformers.com) • E-mail: [complianceofficer@tarapurtransformers.com](mailto:complianceofficer@tarapurtransformers.com)**

**CIN-L99999MH1988PLC047303**

**Mumbai, 14th August, 2014**

**DIRECTORS' REPORT**

Dear Members,

The Directors of your Company have pleasure in presenting Twenty Sixth Annual Report together with the Audited Accounts and Auditors' Report for the year ended 31st March, 2014.

**1. Financial Performance:-**

The financial performance of the Company for the Year ended 31st March, 2014 is as summarized below:-

(₹. In Lacs)

Particulars	2013-2014	2012-2013
Gross Turnover & Other Income	4458.70	5624.44
Profit/(Loss) before Interest, Depreciation & Taxation	(721.40)	11.25
Less – Interest	398.44	247.97
Profit/(Loss) before Depreciation & Taxation	(1119.84)	(236.72)
Less – Depreciation	92.29	62.74
Profit/(Loss) before tax	(1212.13)	(299.46)
Less– Provision for Taxation (Including Deferred Tax)	-	-
Net Profit/(Loss) for the year	(1212.13)	(299.46)
Add/(less) Surplus/(deficit) brought forward from previous Year	(1451.64)	(1152.18)
Profit available for Appropriations/(Loss)	(2663.77)	(1451.64)
Appropriations:-		
Balance Carried to Balance Sheet	(2663.77)	(1451.64)

**2. Performance Review:-**

The Turnover of the Company has decreased to ₹ 4255.60 Lacs, and the Company has incurred net loss of ₹ 1212.13 Lacs for the F.Y 2013-14. The same is mainly due to fall in demand and rise in the prices of major raw materials and high interest rates.

**3. Dividend:**

Your Directors do not recommend any dividend for the year under review in view of losses incurred.

**4. Directors:-**

Mr. Rajendrakumar Anandilal Choudhary, Director, retire from the Board by rotation and being eligible has offered himself for re-appointment at the ensuing Annual General Meeting.

Pursuant to Sections 149, 150 & 152 of the Companies Act, 2013 read with Companies (Appointment and qualification of Director) Rules, 2014 along with Schedule IV or re-enactment thereof for the time being in force, an Independent Directors can hold office for a term of Five consecutive years on the Board of your Company. Accordingly, it is proposed to appoint Mr. Kesavan Mudakkarpillil Sugathan and Mr. Ramalingam Ganesh Subramanian Iyer, existing Directors as Non – Executive Independent Directors for a term of five consecutive years and shall not be liable to retire by rotation.

The Company has received requisite notice from the respective directors proposing their candidature for appointment as an Independent Director and has also received declaration from the aforesaid Independent Directors confirming that they meet the criteria of Independence as prescribed under provisions of Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

Brief resume of the Directors proposed to be appointed/ re-appointed, qualification, experience and the names of the Companies in which they hold directorship, membership of the board committees, as stipulated in the clause 49 of the listing agreement are provided in the Report on Corporate Governance forming a part of the annual report.

**5. Directors' Responsibility Statement:-**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, the Directors, to the Best of their knowledge and belief, confirm that: –

- In the preparation of the annual accounts for the financial year 2013-14, the applicable accounting standards have been followed and there are no material departures;
- Appropriate accounting policies have been selected and applied consistently and such judgments & estimates have been 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 / loss of the Company for the accounting year ended on that date;
- Proper & sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities; and
- The annual accounts of the Company have been prepared on a going concern basis.

**6. Auditors:-**

M/s. Raman S. Shah & Associates, Chartered Accountants, who are the Statutory Auditors of the Company, hold office till the conclusion of the forthcoming AGM and are eligible for re-appointment. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed there under, it is proposed to appoint M/s. Raman S. Shah & Associates, Chartered Accountants, as statutory auditors of the Company from the conclusion of the Twenty Sixth Annual General Meeting (AGM) till the conclusion of Twenty Seventh Annual General Meeting (AGM) of the Company.

The Company has received a Certificate from them that their re-appointment, if made, would be within the limits and that they are not disqualified for such an appointment under the Companies Act, 2013. Their reappointment is recommended by the board.

**8. Auditors' Report:-**

As regard Auditors' remarks in the Annexure to their report under Item No. (ix) (a) and (ix) (b) With respect to non-payment of Maharashtra VAT, Service Tax, Income Tax and Professional Tax the same is self explanatory.

**7. Cost Auditors:**

Jayant J. Paleja, Practicing Cost Accountant, has been appointed as Cost Auditor to conduct cost audit of the records of the Company for the financial year 2014-2015.

The Company has received a Certificate from them that their appointment would be within the limits and that they are not disqualified for such an appointment under the Companies Act, 2013. Their appointment is accepted by the board.

**8. Tax Provisions:-**

The Company has made adequate provisions as required under the provisions of Income Tax Act, 1961, as well as other relevant laws governing taxation on the company.

**9. Fixed Deposits:-**

During the year ended on 31st March, 2014, the Company has not accepted any Fixed Deposit from public under Section 58A & 58AA of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

**10. Management's Discussion and Analysis Report:-**

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management's Discussion and Analysis Report which forms part of this Report as Annexure I.

**11. Corporate Governance:-**

We adhere to the principal of Corporate Governance mandated by the Securities and Exchange Board of India (SEBI) and have implemented all the prescribed stipulations. As required by Clause 49 of the Listing Agreement, a detailed report on Corporate Governance forms part of this Report. The Auditors' Certificate on compliance with Corporate Governance requirements by the Company is attached with the Corporate Governance Report as Annexure II.

**12. Energy Conservation and Technology Absorption:-**

The nature of business of the Company is such where electricity consumption comprises of internally DG set generated electricity as well as electricity made available by MSEDCL. Since it is not possible to bifurcate accurately between these two sources, the information required under Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in Report of the Board of Directors) Rules, 1988 with respect to conservation of Energy, Technology absorption is not given.

**13. Foreign Exchange earnings and outgo:-**

Your Company earned/spent foreign exchange as under during the year.

Earnings: ₹ Nil

Outgo: ₹ Nil

**14. Particulars of Employees:**

There are no employees covered under Section 217(2A) of the Companies Act, 1956.

**15. Acknowledgement:-**

The Board wishes to place on record its sincere appreciation for the assistance and co-operation received from Bankers, Government Departments and other Business Associates for their continued support towards the conduct of operations of the Company efficiently.

The directors express their gratitude to the shareholders for their continuing confidence in the Company. The directors also acknowledge the hard work and persuasive efforts put in by the employees of the Company in carrying forward Company's vision and mission.

**On behalf of the Board of Directors,  
For Tarapur Transformers Limited**

**Rajendrakumar Anandilal Choudhary  
Din : 00494663  
Chairman**

Mumbai, 28th May, 2014

**Annexure I to the Directors' Report**

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**INDUSTRY OVERVIEW**

The Indian economy is witnessing signs of restoration and so is the power sector. The transformer market which had more than doubled manufacturing capacity over the last five years anticipating huge domestic and overseas demand is suffering from overcapacity. However, a shift in the Government of India's focus to strengthen the power T&D system opens up abundant opportunities for the transformer markets. The Indian transformers market has been in the forefront for over five decades and has a well-matured technology base up to the 800 KV class. With increasing demand for reliable power in the country, the power transformers market is witnessing a growth trend.

**INDIAN TRANSFORMER INDUSTRY**

"The Indian economy is witnessing a restoration and so are the electrical industry and its various segments including the transformer industry. High demand arising from the energy intensive oil and gas, and cement segments has buoyed prospects for the Indian power transformer market. Developments in the power sector will have huge ramifications for the Indian transformer industry.

The Government of India is encouraging investments at the T&D level to increase access to reliable power supply and reduce technical and commercial losses in the system through schemes such as Revised Accelerated Power Development and Reform Program (R-APDRP) and Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY). The R-APDRP scheme aims to bring down the Aggregate Technical and Commercial (AT&C) losses in the T&D network. This entails huge investments in the T&D sector including use of energy efficient transformers, besides renovation, modernization, restructuring and up gradation of the T&D infrastructure. Evidence points to a conscious effort to upgrade the grid voltages to 765 KV to minimize the transmission losses and the corridor width. Major participants are gearing up their manufacturing facilities to this changing paradigm with MNCs bringing technology from their parent companies, while local participants are obtaining the technology through acquisition and technology transfer. The Bureau of Energy Efficiency (BEE), Ministry of Power, is actively working to ensure that quality products are procured by the electricity boards and has accordingly stipulated mandatory star rating for distribution transformers. Distribution transformer procurement for R-APDRP is likely to be set at a minimum of 3 star rating. A large number of distribution transformer manufacturers have already applied to BEE for acquiring star ratings."

**BUSINESS OVERVIEW**

Your Company is currently engaged in the areas of manufacturing, rehabilitation, up-gradation and refurbishment of transformers ranging from Power & Distribution Transformer, Industrial Transformer, Furnace Duty Transformer, Electric Locomotive Transformer, Electric Traction Substation Transformer, Dry Type Transformer, Potential Transformer, and Special Purpose Transformers. We are one of the few players in Indian markets manufacturing & repairing power & distribution transformers, focusing on quality, timely delivery and customization based on our engineering capabilities without any third party collaboration or technical assistance.



In India many players belong to the unorganized segment of the Industry and cater to small ratings distribution transformer's demand. However, over a period of time many of these small players moved up the value chain and graduated to the higher rating transformers. Despite this, the number of players qualified for the larger variants of transformers is still small to serve upcoming demand expected over forthcoming years.

#### **DISCUSSIONS ON RESULTS OF OPERATIONS**

During the financial year 2013-14, your Company has achieved Total Turnover of ₹ 4255.60 Lacs and has incurred Net Loss of ₹ 1212.13 Lacs. The Company has net worth of about ₹ 5631.08 Lacs as on March 31, 2014.

The Company has incurred losses during the year, mainly due to the following reasons:

- (a) Due to the ongoing capital expansion at Wada unit of the Company, production facilities were not undertaken to the extent of available capacity.
- (b) Due to the qualification criteria laid down by the utilities, who happen to be main customers of the Company, the Company has to go for orders at cost or lower to enable the Company to participate in future tenders of utilities.
- (c) The nature of business is working capital intensive and we mainly deal with State Electricity Boards which are known for delayed payments. As payments are blocked with SEBs, there is need to borrow for short term to carry on operations, which impacts our profitability as high interest payments are to be made.

#### **FUTURE OUTLOOK**

As the number of competitors in the higher range of power transformers manufacturing is very small, the board still foresees a bright future for the Company. However, the targeted profitability will be achieved only after the Company meets the minimum qualifying criteria set up by various utilities who happen to be our main customers.

#### **RISK & CONCERNS**

Our future results of operations could potentially be affected by the following factors:

- Our ability to manufacture transformers as per the requirement of our clients;
- Our ability to continuously operate and maintain our manufacturing facilities optimally;
- Our ability to continue to source raw material at competitive rates;
- Our ability to manufacture transformers using the latest technologies in terms of modern materials, components and processes.
- Our ability to generate working capital funds at reasonable interest rates.

#### **HUMAN RESOURCES**

Your Company strongly believes that employees are central to the Company's transformation agenda and that it is important to build capabilities of employees to handle both current and future needs. During the year, the Company continued to work on identifying the needs of employees across all categories and level. The Company has built a strong team of highly qualified and competent professionals to meet the emerging business challenges and market competition.

#### **INTERNAL CONTROL AND ITS ADEQUACY**

The Internal audit was carried out by firm of Chartered Accountants who conduct the audit on the basis of Annual Audit Plan. The process includes review and evaluation of effectiveness of the existing process, controls and compliance. It also ensures adherence to policies and systems, and mitigation of the operational risks perceived for each area under audit. Significant observations including recommendations for improvement of the business processes were reviewed by the Management before reporting to the Audit Committee which reviewed the Internal Audit procedures, findings and status of implementation of the agreed action plan.

#### **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report, describing the Company's objectives, projections and estimates, are forward-looking statements and progressive within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

**On behalf of the Board of Directors,  
For Tarapur Transformers Limited  
Rajendrakumar Anandilal Choudhary  
Din : 00494663  
Chairman**

Mumbai, 28th May, 2014

**Annexure II to the Directors' Report**

### **REPORT ON CORPORATE GOVERNANCE**

(As required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

Corporate Governance is the application of best management practices, compliance of laws and adherence to ethical standards to achieve the Company's objective of maximizing stakeholders' value and discharge of social responsibility. The Corporate Governance structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees etc.

In addition to these, the Company has also adopted the requirements of Corporate Governance under Clause 49 of the Listing Agreements, the disclosure requirements of which are given below:

#### **MANDATORY REQUIREMENTS:-**

**i. Company's Philosophy on Corporate Governance:-**

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximizing value for all its stakeholders.

**ii. Board of Directors (Board):-**

**a) Board Composition:-**

The Board of the Company should consist of optimum combination of Executive, Non Executive – Independent Directors, which should be in conformity with the requirement of Clause 49 of the Listing Agreement with Stock Exchanges.





The present strength of the Board is Four (4) Directors, comprising of one Whole Time Director, one Non Executive Promoter Director and Two Independent & Non Executive Directors. The Board Members possess the skills, expertise & experience necessary to guide the Company.

Name of Director	Category of Directorship	Designation
Mr. Naresh Kumar Choudhary	Promoter – Non Executive	Director
Mr. Rajendrakumar Anandilal Choudhary	Promoter - Executive	Whole Time Director
Mr. Ramalingam Ganesh Subramanian Iyer	Independent – Non Executive	Director
*Mr. Kesavan Mudakkarappillil Sugathan	Independent – Non Executive	Director

\*Appointed as Director of the Company w.e.f. 13th November, 2013.

**b) Board Meetings and attendance of Directors:-**

During the financial year ended on 31st March, 2014, Four (4) Board Meetings were held on the following dates:-  
29th May, 2013, 13th August, 2013, 13th November, 2013 and 10th February, 2014.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board members to discharge their responsibilities effectively and take informed decisions. Where it is not practicable to attach or send the relevant information as part of Agenda Papers, the same are tabled at the meeting or / and the presentations are made by the concerned managers to the Board. Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings.

The information as specified in Annexure 1A to Clause 49 of the Listing Agreement is regularly made available to the Board, whenever applicable, for discussion and consideration.

The attendance at the Board Meetings held during the year and attendance at the last Annual General Meeting, number of directorships in other Public Limited companies and membership/chairmanship in committees across various companies of which the Director is a Member / Chairman are given below:-

Name of Directors	No. of Board Meetings Attended	Attendance at last AGM held on 28th September, 2013	# Directorship held in other Companies	Committee Memberships / Chairmanships	
				Membership	Chairmanship
Mr. Naresh Kumar Choudhary	1	Absent	-Nik-San Engineering Company Ltd.	-	-
Mr. Rajendrakumar Anandilal Choudhary	4	Present	-Bilpower Ltd. -Bil Energy Systems Ltd. -Choudhary Global Ltd.	9	-
*Mr. Kesavan Mudakkarappillil Sugathan	2	Absent	-Bilpower Ltd. -Bil Energy Systems Ltd.	3	6
Mr. Ramalingam Ganesh Subramanian Iyer	2	Absent	-Ramkrishna Electricals Ltd. -Ramkrishna Infra Builder & Developers LLP	2	1
** Mr. Mrugen H. Shah	2	Present	-	-	-

\*Appointed as Director of the Company w.e.f. 13th November, 2013.

\*\* Resigned w.e.f 13th November, 2013.

# Excluding Private Companies and Companies under Section 25 of the Companies Act, 1956.

The necessary disclosures regarding Committee positions have been made by all the Directors. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all companies in which they are Directors. As per Clause 49 of the Listing Agreement, for the purpose of reckoning the said limit, Chairmanship/ membership of the Audit Committee and the Stakeholders Relationship Committee alone shall be considered.

None of the Directors of the Company are related to each other except Mr. Naresh Kumar Choudhary and Mr. Rajendrakumar Anandilal Choudhary who are relative.

**c) Information of Directors' Appointment / Re-appointment:-**

**Mr. Rajendrakumar Anandilal Choudhary**, aged 53 years, has over 25 years of experience in the field of manufacturing of electrical lamination, distribution and power transformers, Motor Stamping and Banking & Finance. As a director of the Company he is actively involved in day to day operations of the Company, and heads the marketing and finance operations of the Company. He is the member of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company. He is holding 914355 equity shares of the Company as on 31st March, 2014

**Mr. Kesavan Mudakkarappillil Sugathan**, aged 66 years, had been appointed as "Non Executive Independent Director" of the Company by the Board of Directors. He is M.B.A. in Marketing and Advertising from Cochin University and also holds degree of Bachelor in Economics. He started his career with Kerala Electrical & Allied Engineering Co. Limited (owned by Kerala State Government) in 1974 and was subsequently designated as General Manager - Marketing and Director up to 2006. He was also a director in Travancore-Cochin Chemicals Limited (State Public Undertaking Owned by Kerala State Government). Mr. Kesavan Mudakkarappillil Sugathan has wide experience in Finance, Sales and Marketing especially in Alternators, Transformers and Structural Engineering and Lighting Alternators business. He is not holding any equity shares of the Company.

**Mr. Ramalingam Ganesh Subramanian Iyer**, aged 45 years, designated as "Non Executive Independent Director" is a graduate in Engineering (B.E.) and also holds Masters Degree in Business Administration with specialization in Finance and Production. He has vast knowledge and experience in the production, manufacturing and operations in the transformers industry. He does not hold any equity shares of Tarapur Transformers Limited.

**Committees of the Board of Directors of the Company:-**

**iii. Audit Committee:-**

**a) Composition :-**

The Audit Committee comprises of experts specializing in accounting / financial management. The Chairman of the Audit Committee is a "Non-executive Independent Director." The composition of Audit Committee is as follows:-

Name of the Members	Position	Category
*Mr. Kesavan Mudakkarappillil Sugathan	Chairman	Independent & Non Executive Director
Mr. Rajendrakumar Anandilal Choudhary	Member	Executive Director



Mr. Ramalingam Ganesh Subramanian Iyer	Member	Independent & Non Executive Director
**Mr. Mrugen Shah	Chairman	Independent & Non Executive Director

\*Appointed as Chairman of Audit Committee w.e.f. 13th November, 2013.

\*\* Resigned as a Director and Chairman of Audit Committee w.e.f. 13th November, 2013.

The terms of reference, role and scope of the Audit Committee are in line with those prescribed by Clause 49. The Company also complies with the provisions of Section 177 of the Companies Act, 2013 (the Act) pertaining to Audit Committee and its functioning. All the members of Audit Committee possess knowledge of corporate finance and accounts.

The Board has delegated the following powers to the Audit Committee:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

During the year 2013-14, four (4) Audit Committee meetings was held on 29th May, 2013, 13th August, 2013, 13th November, 2013 and 10th February, 2014.

**b) Power & Terms of Reference:-**

The Power and terms of reference of the Audit Committee are as mentioned in Clause 49 II (C), (D) & (E) of the Listing Agreement entered into with the Stock Exchanges and includes overseeing the Company's financial reporting process, reviewing with the management the financial statements and the adequacy of the internal audit function and to discuss significant internal audit findings, statutory compliance issues and issues related to risk management and compliances.

**iv. Nomination and Remuneration Committee:-**

**a) Composition :-**

In terms of Section 178(1) of the Companies Act, 2013, the Company reconstituted the Company's Remuneration Committee as Nomination and Remuneration Committee (NRC).

The Nomination and Remuneration Committee comprises of three (3) members. The composition of Nomination and Remuneration Committee is as follows:-

Name of the Members	Position	Category
Mr. Ramalingam Ganesh Subramanian Iyer	Chairman	Independent & Non Executive Director
Mr. Rajendrakumar Anandilal Choudhary	Member	Executive Director
*Mr. Kesavan Mudakkarappillil Sugathan	Member	Independent & Non Executive Director
**Mr. Mrugen Shah	Member	Independent & Non Executive Director

\*Appointed as Member of Nomination and Remuneration Committee w.e.f. 13th November, 2013

\*\* Resigned as Member of Nomination and Remuneration Committee w.e.f. 13th November, 2013.

During the year 2013-14, One (1) Nomination and Remuneration Committee meeting was held on 13th November, 2013

**b) Terms of Reference:-**

The broad terms of reference of the committee are to identify persons who are qualified to become directors and senior management personnel, to appraise the performance of Chairman, Managing Director, Whole Time Directors and key managerial personnel and to determine and recommend to the Board compensation payable to Chairman, Managing Director, Whole Time Directors and key managerial personnel. The Remuneration policy of the Company is based on review of achievements. The remuneration policy is in consonance with the existing industry practice.

**c) Remuneration Policy:-**

Subject to approval of the Board of Directors and subsequent approval by the members at the Annual General Meeting and such authorities as the case may be, remuneration of Chairman, Managing Director, Whole Time Directors, and key managerial personnel is fixed by the Nomination and Remuneration Committee. The remuneration is decided by the Nomination and Remuneration Committee taking into consideration various factors such as qualifications, experience, expertise, prevailing remuneration in the competitive industries, financial position of the company etc.

**v. Stakeholders Relationship Committee:-**

**a) Composition :-**

In terms of Section 178(5) of the Companies Act, 2013, the Company has rechristened the Shareholders'/Investors' Grievance Committee as Stakeholders Relationship Committee (SRC).

The Board has delegated the powers to approve transfer of shares etc. to this Committee of Three (3) Directors. The quorum for functioning of the committee is any two (2) Directors present. The composition of Stakeholders Relationship Committee is as follows:-

Name of the Members	Position	Category
*Mr. Kesavan Mudakkarappillil Sugathan	Chairman	Independent & Non Executive Director
Mr. Rajendrakumar Anandilal Choudhary	Member	Executive Director
Mr. Ramalingam Ganesh Subramanian Iyer	Member	Independent & Non Executive Director
**Mr. Mrugen Shah	Member	Independent & Non Executive Director

\*Appointed as Chairman of stakeholders Relationship Committee w.e.f. 13th November, 2013.

\*\* Resigned as member of Stakeholders Relationship Committee w.e.f. 13th November, 2013.

During the year 2013-14, One (1) Stakeholders Relationship Committee meeting was held on 13th November, 2013.

There was no pending Transfers/ Demats as on 31st March, 2014.

**b) Terms of Reference:-**

The Company has a Stakeholders Relationship Committee, to look into redressal of Investors Complaints and requests such as delay in transfer of shares, non receipt of Dividend, Annual Report, revalidation of Dividend warrants etc.

The Committee deals with various matters relating to:

- Transfer / transmission of shares.
- Issue of share certificate in lieu of lost, sub-divided, consolidated, rematerialized or defaced certificates.
- Consolidation / splitting of folios.
- Review of shares dematerialized and all other related matters.



- Investors' grievance and redressal mechanism and recommend measures to improve the level of investors' services.

The secretarial department of the Company and Registrar and Share Transfer Agents attend expeditiously to all grievances / correspondences of the shareholders and investors, received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs and Registrar of Companies etc. The complaints are generally resolved within 15 days of receipt of letter, except in cases that are constrained by disputes or legal impediment.

**c) Information on Investor Grievances for the period from 01st April, 2013 to 31st March, 2014:-**

Brought Forward	Received Afresh	Disposed	Carried Over
Nil	Nil	Nil	Nil

**d) Compliance Officer:-**

Ms. Ekta Kumari, Company Secretary is the compliance officer for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulation, 1992 and the Listing Agreements with the BSE & NSE.

**vi. Code of Conduct and Ethics for Directors and Senior Management:-**

The Company has laid down a code of conduct for all Board members and senior management personnel of the Company. A copy of the Code of conduct is available on the Company's website [www.tarapurtransformers.com](http://www.tarapurtransformers.com)

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Whole Time Director is given below:-

**"I hereby confirm that –**

**The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct and Ethics for Directors and Senior Management in respect of the Financial Year 2013-14."**

**Rajendrakumar Anandilal Choudhary**

**Din : 00494663**

**Whole Time Director**

**vii. Detail of the Annual General Meeting of Last three year:**

**a) Details of the last three Annual General Meetings of the Company is given below:-**

Financial Year	AGM	Date	Locations	Time	No. of Special Resolutions Passed
2010-11	23rd	30.08.2011	J-20, MIDC, Tarapur Industrial Area Boisar, Thane 401506	11.30 a.m.	1
2011-12	24th	28.09.2012	J-20, MIDC, Tarapur Industrial Area Boisar, Thane 401506	11.30 a.m.	Nil
2012-13	25th	28.09.2013	J-20, MIDC, Tarapur Industrial Area Boisar, Thane 401506	11.00 a.m.	1

**Details of Special Resolutions passed in the previous three AGMs**

Date of AGM	Particulars of Special Resolutions passed thereat
30.08.2011	Special Resolution was passed to regularize the utilization of IPO Proceeds and to that extent amend the provisions of draft red herring prospectus and red herring prospectus.
28.09.2012	No Special Resolutions was passed at this AGM
28.09.2013	Appointment of Mr. Rajendrakumar Anandilal Choudhary as Whole-time Director of the Company for a period of three (3) years from 14th November, 2012 to 13th November, 2015.

b) No resolution was put through Postal Ballot during the year under reference.

c) No Extra Ordinary General Meeting of the Company was held during the year.

**viii. Subsidiary Company:-**

The Company does not have any subsidiary company in term of Clause 49 (III) of the Listing Agreement and hence, it is not required to have an independent director of the Company on the board of such subsidiary company.

**ix. Compliance with other mandatory requirements:-**

**1) Disclosures:-**

**a) Materially significant related party transactions:-**

There were no materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, directors or the management, their subsidiary or relatives etc. during the year, that may have potential conflict with interest of the Company at large.

**b) Disclosure of accounting treatment:-**

In the preparation of financial statements, the Company has followed the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India to the extent applicable.

**c) Disclosure of Risk Management:-**

The Company has laid down procedure to inform Board members about the risk assessment and minimization procedure. These would be periodically reviewed to ensure that executive management controls risks through means of a properly defined framework.

**d) CEO / CFO Certification:-**

In line with the requirements of Clause 49 (V) of the Listing Agreement, the Whole Time Director of the Company has submitted the CEO/CFO Certification, certifying to the Board inter alia that the Financial Statements and the Cash Flow Statements for the financial year ended on 31st March, 2014 were reviewed to the best of his knowledge and belief, that they do not contain any untrue statement, omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with applicable laws and regulations.

**e) Statutory Compliance, Penalties and Strictures:-**

There were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any Statutory Authorities for non-compliance of any matter related to the capital markets during the last three years.

**f) Details relating to utilization of IPO Proceeds:-**

As per Clause 49 (IV) (D) of the Listing Agreement, the Company published Quarterly Statement of utilization of funds raised through IPO in the Financial Year 2013-14.



**g) Whistle Blower Policy:**

The Board of Directors of the Company has adopted a Whistle Blower Policy for establishing a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The said policy has been posted on the Company's web site. The Company affirms that no employee has been denied access to the Audit Committee.

**x. Means of Communication:-**

Quarterly / Half yearly financial results sent to each shareholder's residence.	No, but published in the newspapers
In Which Newspapers Quarterly, half yearly & annual results were normally Published.	English: Financial Express Marathi: Mumbai Mitra
Any website, where results or official news are displayed.	www.bseindia.com www.nseindia.com www.tarapurtransformers.com
Whether Management Discussion & Analysis Report is a part of the Annual Report or not.	Yes, it is part of Annual Report As Annexure – I

**NSE Electronic Application Processing System (NEAPS) and BSE Online Portal:** The Company also submits to NSE, all disclosures and communications through NSE's NEAPS portal. Similar filings are made to BSE on their Online Portal - BSE Corporate Compliance & Listing Centre.

**Extensive Business Reporting Language (XBRL):** The Company has filed Balance sheets and Profit and Loss statements and also Cost Audit Report and Compliance Report on MCA through XBRL

**xi. General Shareholder Information:-**

**i. 26<sup>th</sup> Annual General Meeting:-**

Date	29th September, 2014
Venue	J-20, MIDC, Tarapur Industrial Area, Boisar, Thane 401506, Maharashtra.
Day and Time	Monday at 10.00 a.m.

**ii. Financial Calendar:-**

For the Financial Year 2014-15, Financial Results will be announced as per the following tentative schedule.

1st Quarter ending June, 2014	By 14th August, 2014
2nd Quarter & Half Year ending September, 2014	By 14th November, 2014
3rd Quarter ending December, 2014	By 14th February, 2015
4th Quarter / year ending March, 2015	Within 60 days from 31st March, 2015
Annual General Meeting for the Year 2014-15	By September, 2015

**iii. Book Closure:-**

Dates of Book Closure	25th September, 2014 to 29th September, 2014 (both days inclusive)
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**iv. Listing:-**

The Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

**v. Listing Fees to Stock Exchanges:-**

The Company has paid the Listing Fees for the year 2014-15 to both the above exchanges.

**vi. Custodial Fees to Depositories:-**

The Company has paid the custodial fees for the year 2014-15 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**vii. Stock Code / Symbol:-**

Bombay Stock Exchange Ltd. (BSE)	533203
National Stock Exchange of India Ltd. (NSE)	TARAPUR EQ
International Securities Identification Number (ISIN)	INE747K01017
Corporate Identity Number (CIN)	L99999MH1988PLC047303
Allotted by the Ministry of Corporate Affairs (MCA)	

**viii. Stock Market Price Data for the year 2013-14 in comparison to BSE Midcap Sensex:-**

Month	BSE Share Price (₹)				NSE Share Price (₹)				BSE Midcap Sensex			
	Open	High	Low	Close	Open	High	Low	Close	Open	High	Low	Close
Apr 13	8.45	10.64	7.30	9.39	9.09	9.61	8.75	9.16	6157.61	6368.11	6029.10	6344.04
May 13	8.65	10.20	7.15	7.57	8.71	9.15	8.35	8.69	6350.41	6661.12	6332.82	6389.47
June 13	7.00	7.85	5.13	6.20	6.53	6.93	6.27	6.43	6409.37	6468.98	5778.97	5964.50
July 13	6.10	8.82	5.26	5.80	6.39	6.58	6.21	6.37	5972.47	6111.29	5441.93	5543.13
Aug 13	5.61	5.90	5.05	5.50	5.60	5.56	5.56	5.60	5553.96	5606.72	5118.74	5300.40
Sep 13	5.26	6.35	4.78	6.00	5.73	5.98	5.56	5.83	5312.48	5744.17	5269.87	5605.98
Oct 13	6.25	6.49	5.14	5.60	5.64	5.71	5.56	5.61	5624.30	6115.28	5593.99	6107.35
Nov 13	5.88	6.30	5.60	5.99	6.19	6.23	6.16	6.21	6117.51	6355.01	6063.27	6325.58
Dec 13	5.89	6.32	5.41	6.00	5.98	6.05	5.87	6.19	6339.90	6707.87	6297.65	6705.56
Jan 14	6.05	8.00	5.75	6.48	7.25	7.43	7.04	7.23	6719.03	6802.60	6185.62	6308.05
Feb 14	6.48	6.80	5.50	5.75	6.41	6.55	6.27	6.43	6316.85	6504.50	6193.14	6500.42
Mar 14	5.50	6.20	5.20	5.69	5.59	5.86	5.50	5.65	6514.85	7091.15	6471.87	7082.86

• Source : www.bseindia.com & www.nseindia.com



**ix. Registrar and Share Transfer Agent:-**

Share transfers, dividend payment and all other investor related matters are attended to and processed by our Registrar and Share Transfer Agent viz. Bigshare Services Private Limited.  
E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (E), Mumbai 400072  
Tel. No. +91 22 28470652, Fax No. +91 22 28475207  
E mail: investor@bigshareonline.com

**x. Share Transfer System:-**

Presently, the share transfers received by the Registrar & Share Transfer Agent of the Company are processed and returned within a period of 15 days from the date of its receipt, subject to documents being valid and complete in all respect. The Board has delegated the authority for approving the transfers to the registrar & share transfer agent subject to approval by Stakeholders Relationship Committee. Shareholders' Grievances and other miscellaneous correspondence on change of address, mandates, etc. received from Members are generally processed by Registrar & Share Transfer Agent of the Company within 15 days. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under clause 47 (c) of the Listing Agreement and files a copy of the certificate with BSE and NSE.

**xi. Distribution of Shareholding as on 31st March, 2014:-**

Range of Shareholding	Number of Shareholders	% of Total	Number of Shares	% of Total
1 - 500	9490	81.33	1645631	8.44
501 - 1000	1202	10.30	1009218	5.18
1001 - 2000	505	4.33	787349	4.04
2001 - 3000	154	1.32	403634	2.07
3001 - 4000	84	0.72	307632	1.58
4001 - 5000	65	0.56	308751	1.58
5001 - 10000	87	0.75	637901	3.27
10001 and above	82	0.70	14399895	73.85
<b>Total</b>	<b>11669</b>	<b>100.00</b>	<b>19500011</b>	<b>100.00</b>

**xii. Shareholding pattern (category wise) as on 31st March, 2014:-**

Category	Number of Shares held	% of Total Shareholding
Promoters (Incl. Persons Acting in Concert)	11330865	58.11
NRI / Foreign Institutional Investors	127673	0.65
Bodies Corporate	1848529	9.48
Public	6192944	31.76
<b>Total</b>	<b>19500011</b>	<b>100.00</b>

**xiii. Dematerialization of shares and liquidity:-**

- About 99.99% of the equity shares have been dematerialized as on 31st March, 2014.
- Trading in the equity shares of the Company is permitted in dematerialized form only as per notification issued by SEBI.

**xiv. E-voting**

E-voting is a common internet infrastructure that enables investors to vote electronically on resolutions of companies. The Company will have the E-voting facility for the items to be transacted at this AGM. The MCA has authorized NSDL and CDSL for setting up electronic platform to facilitate casting of votes in electronic form. The Company has entered into agreements with CDSL for providing e-voting facilities to the Shareholders.

**xv. Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and its impact on equity:-**

Nil

**xvi. Unclaimed Dividend/ Amounts:-**

Section 205 of the Companies Act, 1956, mandates that a Company has to transfer dividend, which has been unclaimed for a period of seven years, from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Your company had declared dividend in the year 2010 and the balance lying as unpaid and unclaimed dividend, if remaining unclaimed for a period of seven years, shall be transferred to the Investor Education and Protection Fund as per following schedule:

Date of declaration of dividend	Dividend for the financial year	Due date of transfer
30.09.2010	2009-2010	29.10.2017

The Ministry of Corporate Affairs has vide notification dated 10th May, 2012 issued Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 and has mandated Companies to furnish information regarding unpaid and unclaimed amounts lying with companies along with particulars of names, address etc. of investors. In line with the same your Company has furnished the information on its own website i.e. www.tarapurtransformers.com You are requested to check the particulars and put up your claim for your amount lying unclaimed with the Company to our Registrar and Share Transfer Agents or at the Company's address mentioned hereunder at point no. (xviii).

**xvii. Plant / Unit locations:-**

The Company has the following manufacturing units –

Pali Unit : 141, Manor Road, Village Pali, Post- Posheri, Taluka Wada, Dist. Thane, Maharashtra.
Vadodara Unit : L/25/5, GIDC Industrial Estate, Por - Ramnagamdi, Vadodara, Gujarat.



**xviii. Address for correspondence:-**

The Compliance Officer,  
Tarapur Transformers Limited,  
836/837, 8th Floor, IJMIMA Complex,  
Behind Goregaon Sports Club,  
Raheja Metroplex, Link Road,  
Malad (West), Mumbai – 400 064.  
Tel: +91 22 42728080, Fax: +91 22 28811225  
Email – complianceofficer@tarapurtransformers.com  
Website: www.tarapurtransformers.com

**Non-Mandatory Requirements:-**

**i. Nomination and Remuneration Committee:-**

The Board has set up a Nomination and Remuneration Committee. Please see details in Para on Nomination and Remuneration Committee.

**ii. Shareholders' Rights:-**

Company's quarterly financials are published in English newspaper having a wide circulation all over India and in a Marathi newspaper widely circulated in Maharashtra. The quarterly results and limited review report thereon are also put on the Company's website www.tarapurtransformers.com periodically. The same are not sent to the shareholders of the Company individually.

**iii. Whistle Blower Policy:-**

The Company has adopted a Whistle Blower Policy. Please refer to the Para under the head 'Disclosures' & 'Company's Policies'.

**On behalf of the Board of Directors,  
For Tarapur Transformers Limited**

**Ekta Kumari  
Company Secretary**

Mumbai, 28th May, 2014

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## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To The Members of Tarapur Transformers Limited**

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the BSE Limited and National Stock Exchange of India Limited (NSE) for the year ended on 31st March, 2014.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the condition of corporate Governance Code. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

**For Raman S. Shah & Associates**  
Chartered Accountants  
Firm Regn. No. 119891W

**(CA. Raman S. Shah)**  
Partner  
Membership No. 033272

Mumbai, 28th May, 2014

**INDEPENDENT AUDITORS' REPORT**

**Auditor's Report to the Members of TARAPUR TRANSFORMERS LIMITED,**  
Mumbai

**Report on the Financial Statements**

We have audited the accompanying financial statements of **TARAPUR TRANSFORMERS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended and a summary of the significant accounting policies and other explanatory information, Which we have signed under reference to this report.

**Management's Responsibility for the Financial Statements**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 of India (the "Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncement issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

**For Raman S. Shah & Associates**  
Chartered Accountants  
Firm Regn. No. 119891W  
**(CA. Raman S. Shah)**  
Partner  
Membership No. 033272

Mumbai, 28th May, 2014

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in Para 3 of our Report of even date)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that:

- i.
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - (b) The fixed assets were physically verified by the Management during the year. We have been informed that no material discrepancies were noticed on such physical verification.
  - (c) Substantial part of fixed assets has not been disposed of during the year.
- ii.
  - (a) The stock of inventory has been physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) The company is maintaining proper records of inventory. The discrepancies noticed on physical verification of stocks as compared to book records were not material; however, the same have been properly dealt with in the books of account
- iii.
  - (a) The Company has granted interest free unsecured loans to one party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 1.16 Crores and at the end of the year balance of loans granted to such party was NIL.
  - (b) The Company has taken interest free loans from three parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 3.33 Crores and at the end of the year balance of loans granted to such parties was ₹ 2.76 Crores.
  - (c) Except for the fact that these loans are interest free, in our opinion and according to the information and explanations given to us, the other terms and conditions of loans given are not prima facie prejudicial to the interest of the Company.
- iv. In our opinion, there is an adequate internal control system, commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit no major weakness has been observed in the internal controls.
- v. In respect of contractor arrangements referred to in section 301 of the Companies Act, 1956
  - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of the contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
  - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of the contracts /arrangements entered in the Register maintained under section 301 of the Companies Act 1956 and exceeding the value of Rupees Five Lacs in respect of the each party during the year have been made at prices which are reasonable having regards to the prevailing market price at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions contained in Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and Rules framed there under are not applicable to the Company.



- vii. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- viii. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956.
- ix. a) According to the records of the Company Income-Tax which have not been deposited on account of disputes and the Forum where the dispute is pending are as under:

Nature of Statute	Year	Nature of Dues Pending	Amount	Forum Where Dispute is pending
Income Tax Act 1961	F.Y. 2009-10	Income Tax demand	149.22 Lacs	CIT Appeal, Thane
Income Tax Act 1961	F.Y. 2010-11	Income Tax demand	72.60 Lacs	CIT Appeal, Thane

b) According to information and explanation given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Income Tax, Wealth Tax, Sales Tax, Purchase Tax, Custom Duty, Cess, Entry Tax and Service Tax except following dues which are due since more than six months but still not paid:-

Nature of Statute	Natures of Dues	Amount (₹ in Lacs)	Period to which the amount relates	Due Date	Date of Payment
MVAT Act	VAT	15.14	F.Y.2011-12	21/04/12	Still not paid
Central Sales Tax Act	CST	5.83	F.Y.2011-12	21/04/12	Still not paid
MVAT Act	VAT	9.18	F.Y.2013-14	21/08/13	Still not paid
Central Sales Tax Act	CST	0.90	F.Y.2013-14	21/08/13	Still not paid
Service Tax Act	Service Tax	0.16	F.Y.2013-14	06/05/13	Still not paid
Service Tax Act	Service Tax	0.23	F.Y.2013-14	06/07/13	Still not paid
Maharashtra Labour Welfare Act	Labour Welfare Fund	0.01	F.Y.2011-12	25/07/12	Still not paid
Professional Tax Act	Professional Tax	0.89	F.Y.2013-14	30/04/14	Still not paid

- x. The Company has accumulated losses of ₹ 26.64 Crores as on 31st March, 2014 and has incurred cash losses of ₹ 11.20 Crores during the financial year covered by our audit and ₹ 2.37 Crores in the immediately preceding financial year.
- xi. The Company has been defaulted in repayment of dues to financial institutions or banks.

1) Based on our audit procedures and as per the information and explanations given by management, the company has been defaulted in repayment of Interest on the Term Loan taken from the Dhanlaxmi Bank Ltd. Penal Interest on Interest is also overdue as on 31/03/2014. The following are the details of the Delay.

Name of Bank	Particulars	Interest Overdue (₹ In Lacs)	Penalty Overdue (₹ In Lacs)	Period of Outstanding
Dhanlaxmi Bank Ltd.	Term Loan	19.37	2.18	April 2013 to March 2014

As explained to us, reasonable steps had already been taken for payment of principal.

- 2) Based on our Audit Procedures and as per the information and explanation given by management, the company has exceeded working capital demand loan of Canara Bank worth ₹ 30.00 crores and therefore bank has classified the account as substandard asset as on 02/12/2013.
- 3) Based on our Audit Procedures and as per the information and explanation given by management, the company has been delayed in the payment of the interest on Working Capital Loan taken from Canara Bank.

Name of Bank	Particulars	Interest (₹ In Lacs)	Penalty (₹ In Lacs)	Period of Outstanding
Canara Bank	WC TL	15.29	0.69	On various dates

As explained to us, these delays had been rectified & hence no delays exist as at 31/3/2014. Moreover WC TL has been paid & no more in existence as at 31/3/2014.

- 4) Based on our Audit Procedures and as per the information and explanation given by management, the company has been delayed in the payment of dues to the banks in respect of Letters of Credit.

Particulars	Amount (₹ In Lacs)	Period of Delays
Letters of Credit	162.94	30 DAYS

- 5) In respect of loans granted to various parties, repayment of the principal amount was not as stipulated and payment of interest has also not been regular.
- xii. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provision of clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- xiv. The Company is not a dealer or trader in shares, securities, debentures and other investments. Therefore, the provisions of clause 4 (xiv) of the order are not applicable to the Company.
- xv. According to the information and explanations given to us, no guarantee has been given for loans taken by others from banks or financial institutions.
- xvi. According to the information and explanations given to us, in our opinion, the term loans were used for the purpose for which the same were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the cash flow statement and balance sheet of the Company, in our opinion, the funds raised on short term basis have not been used for long term investments.
- xviii. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
- xix. The company has not issued debentures and hence requirement of reporting regarding creation of security in respect of debentures issued does not arise.
- xx. The Company has not raised any money by way of public issue during the year or in the recent past.
- xxi. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

**For Raman S. Shah & Associates**  
Chartered Accountants  
Firm Regn. No. 119891W  
**(CA. Raman S. Shah)**  
Partner  
Membership No. 033272



**TARAPUR TRANSFORMERS LIMITED****BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2014**

(₹ in Lacs)

	Note No	As at 31 <sup>ST</sup> March 2014	As at 31 <sup>ST</sup> March 2013
<b>I EQUITY AND LIABILITIES</b>			
<b>I Shareholders' Funds</b>			
Share Capital	2	1950.00	1950.00
Reserves & Surplus	3	3681.08	4893.21
		<u>5631.08</u>	<u>6843.21</u>
<b>2 Non-Current Liabilities</b>			
Long-Term Borrowings	4	111.08	148.69
		<u>111.08</u>	<u>148.69</u>
<b>3 Current Liabilities</b>			
Short-Term Borrowings	5	3518.78	1496.81
Trade Payables	6	906.59	1742.72
Other Current Liabilities	7	190.53	735.24
		<u>4615.90</u>	<u>3974.77</u>
		<u>10358.06</u>	<u>10966.67</u>
<b>II ASSETS</b>			
<b>I Non-Current Assets</b>			
Fixed Assets	8		
Tangible Assets		3292.42	1629.82
Intangible Assets		132.21	132.21
Capital Work in Progress		-	1795.16
Long Term Loans and Advances	9	796.03	758.09
Other Non Current Assets	10	58.71	117.42
		<u>4279.37</u>	<u>4432.70</u>
<b>2 Current Assets</b>			
Current Investments	11	444.30	71.60
Inventories	12	399.69	1269.92
Trade Receivables	13	3204.81	1951.06
Cash and Cash Equivalents	14	23.36	199.79
Short Term Loans and Advances	15	2006.53	3041.60
		<u>6078.69</u>	<u>6533.97</u>
		<u>10358.06</u>	<u>10966.67</u>

Significant Accounting Policies

I

As per our attached report of even date.

**For Raman S. Shah and Associates**Chartered Accountants  
Firm Regn.No. 119891W**CA Raman S. Shah**Partner  
Membership No. 033272  
Mumbai: 28th May 2014**Ekta Kumari**

Company Secretary

**For and on behalf of the Board****Naresh Kumar Choudhary**Director  
Din : 00678497**Rajendra Kumar Choudhary**Whole-Time Director  
Din : 00494663

Mumbai: 28th May 2014

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014

(₹ in Lacs)

	Note No	As at 31 <sup>ST</sup> March 2014	As at 31 <sup>ST</sup> March 2013
<b>I INCOME</b>			
Revenue From Operations(Net)	16	4255.60	5435.81
Other Income	17	203.10	188.63
Total Revenue		<u>4458.70</u>	<u>5624.44</u>
<b>II EXPENSES</b>			
Cost of Materials Consumed	18	1079.96	3005.05
Stock-In-Trade Purchases	19	2393.69	2491.82
Change in Inventories	20	811.88	(683.86)
Employee Benefits Expenses	21	180.96	169.86
Finance Costs	22	454.88	292.52
Depreciation and Amortisation Expense	8	92.29	62.74
Other Expenses	23	657.17	585.77
Total Expenses		<u>5670.83</u>	<u>5923.90</u>
<b>Profit/(Loss) Before Tax</b>		(1212.13)	(299.46)
Tax Expense		-	-
<b>Profit/(Loss) for the Period</b>		(1212.13)	(299.46)
Nos of Equity Shares for Computing EPS			
Basic		19500011	19500011
Diluted		19500011	19500011
Earnings Per Equity Share (Face Value ₹ 10/- Per Share)			
Basic ( ₹ )		(6.22)	(1.54)
Diluted ( ₹ )		(6.22)	(1.54)
Significant Accounting Policies	I		

As per our attached report of even date.

**For Raman S. Shah and Associates**Chartered Accountants  
Firm Regn.No. 119891W**CA Raman S. Shah**  
Partner  
Membership No. 033272  
Mumbai: 28th May 2014**Ekta Kumari**  
Company Secretary**For and on behalf of the Board****Naresh Kumar Choudhary**  
Director  
Din : 00678497**Rajendra Kumar Choudhary**  
Whole-Time Director  
Din : 00494663  
Mumbai: 28th May 2014

**TARAPUR TRANSFORMERS LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

(₹ in Lacs)

As at 31<sup>ST</sup> March 2014 As at 31<sup>ST</sup> March 2013**A. CASH FLOW FROM OPERATING ACTIVITIES**

Net Profit Before Tax & Extra Ordinary Items	(1212.13)	(299.46)
Adjustment For -		
- Deferred Revenue Expenditure	58.71	58.71
- Depreciation	92.29	62.74
- Balance Written off	0.01	15.27
- Provision for Obsolete Stock	-	8.87
- Loss on Foreign Currency Fluctuation	0.60	55.16
- Sundry Balance Written Back	(0.91)	(0.05)
- Liquidated Damages (Penalty)	88.41	121.61
- Discount, Rate Difference	62.61	-
- Bad Debts Written off	74.40	-
- Loss on Sales of Assets	1.40	-
- Dividend on Long Term Investment	-	(0.12)
- Interest Income	(186.37)	(188.45)
- Interest Paid	398.44	247.97
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(622.54)</b>	<b>82.25</b>

Adjustment For -

- Trade Receivable	(1479.17)	(137.17)
- Inventories	870.23	(527.16)
- Trade and Other Payables	(1380.54)	677.15
Cash Generated from Operations	(2612.02)	95.07
Decrease in Provision for Taxation	-	-
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(2612.02)</b>	<b>95.07</b>

**B. CASH FLOW FROM INVESTING ACTIVITIES**

Purchase of Fixed Assets	35.12	(24.05)
Sale of Assets	3.75	-
Investment in Shares	(372.70)	(55.00)
Interest Income	186.37	188.45
Movement in Loans and Advances	997.13	(165.30)
Dividend on Long Term Investment	-	0.12
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>849.67</b>	<b>(55.78)</b>

**C. CASH FLOW FROM FINANCING ACTIVITIES**

Long Term Borrowing	(56.99)	87.82
Short Term Borrowing	2021.97	(70.43)
Interest Paid	(379.06)	(247.97)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>1585.92</b>	<b>(230.58)</b>
Net Increase / (Decrease) in Cash and Cash Equivalents	(176.43)	(191.29)
<b>CASH AND CASH EQUIVALENT AT BEGINNING OF THE YEAR</b>	<b>199.79</b>	<b>391.08</b>
<b>CASH AND CASH EQUIVALENT AT THE END OF THE YEAR</b>	<b>23.36</b>	<b>199.79</b>

- NOTES: 1. All figures in brackets are outflow.  
 2. Previous year's figures have been regrouped wherever necessary.  
 3. Cash and Cash Equivalent is Cash & Bank Balances as per Balance Sheet.

As per our attached report of even date.

**For Raman S. Shah and Associates**Chartered Accountants  
Firm Regn.No. 119891W**CA Raman S. Shah**  
Partner  
Membership No. 033272  
Mumbai: 28th May 2014**Ekta Kumari**  
Company Secretary**For and on behalf of the Board****Naresh Kumar Choudhary**  
Director  
Din : 00678497**Rajendra Kumar Choudhary**  
Whole-Time Director  
Din : 00494663  
Mumbai: 28th May 2014

**NOTES TO FINANCIAL STATEMENTS****I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES –**

- A. Basis of Preparation of Financial Statements:** The financial statements are prepared as per historical cost convention and in accordance with the generally accepted accounting principle in India, the provisions of the Companies Act, 1956 and the applicable accounting standards issued by the ICAI.
- B. Use of Estimates:** The preparation of financial statements requires use of estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and the estimate are recognised in the period in which the same are known / materialised.
- C. Fixed Assets:** Fixed Assets including Leasehold Land are recorded at cost. The Company capitalises all costs relating to Fixed Assets acquisition and installation and other financial cost till commencement of commercial Production. The Company has stated its Fixed Assets net of CENVAT/Value Added Tax.  
Expenses incurred relating to Pali Unit prior to commencement of commercial production are classified as project development expenditure and disclosed under Capital work in progress which will be subsequently allocated to the relevant fixed assets on pro rata basis depending on the prime cost of Assets of Pali Unit.
- D. Borrowing Costs:** Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such asset is ready for its intended use. All other borrowing costs are charged as Revenue Expenditure.
- E. Depreciation/ Amortisation**
- Depreciation on additions to Assets is calculated Pro-rata from the date of such additions and similarly on deletion from assets is calculated pro rata upto the date of deletion. Depreciation in the case of uninstalled Fixed Assets has not been provided.
  - Depreciation on Assets in Boisar Unit has not been provided as the production was suspended for the entire year therein.
  - Depreciation on assets except to the extent stated in (a) and (b) above, has been provided at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956 on Straight Line Method and in accordance with the provisions of Section 205(2) (b) of the Companies Act, 1956.
  - Depreciation on assets, whose actual cost does not exceed Rupees Five Thousand each, has been provided @ 100% p.a.
- F. Inventories**
- Inventories are valued at lower of Cost or Net Realizable Value.
  - Work in Progress is valued at Cost Plus estimated value of overheads. As on 31st March, 2014, the work in progress is not more than the corresponding order value.
  - Finished Goods are valued at Cost or Net Realizable Value whichever is lower.
  - Packing material and Stores and Spares purchased are written off as expenses in the year of purchases.
  - NRV is the estimated selling price in the ordinary course of business.
- G. Impairment of Assets:** An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impaired loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired.
- H. Foreign Exchange Transactions**
- Foreign Currency Transactions are expressed in Indian Currency at the rates prevailing on the date of transaction. All the Foreign Currency Liabilities / Assets as at the Balance Sheet date are restated at the applicable exchange rates prevailing at that date.
  - Exchange differences arising on repayment of liabilities incurred for the purpose of acquiring fixed assets are adjusted with the carrying amount of the respective fixed assets.
- I. Accounting of Cenvat Transactions:** CENVAT benefit is accounted for on accrual basis on purchase of material & assets and incurring of expenses and appropriated against payment of Excise Duty on clearance of Finished Goods.
- J. Taxation:** Tax expenses for the year comprise of current tax and deferred tax. Current tax is measured after taking into consideration the deductions and exemptions admissible under the provision of Income Tax Act, 1961 and in accordance with Accounting Standard 22 on "Accounting for Taxes on Income", issued by ICAI.  
Deferred Tax assets or liabilities are recognized for further tax consequence attributable to timing difference between taxable income and accounting income that are measured at relevant enacted tax rates. At each Balance Sheet date the company reassesses unrecognized deferred tax assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be.  
As ascertained by the Management of the company, there is no virtual certainty that future taxable income as per the Income Tax Act, 1961 may be available to offset current year's unabsorbed depreciation & business losses under the Income Tax Act, 1961. As per Para 17 of the Accounting Standard 22 : – Accounting for Taxes on Income, where an enterprise has unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets should be recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.
- K. Recognition Of Income And Expenditure**
- Incomes & Expenditures are generally accounted on accrual as they are earned or incurred except Interest on taxes and duties which are accounted on payment basis or at the time of assessment, whichever is earlier.
  - Sales are accounted net of Sales Discounts, rebates, etc., if any returns and also Excise Duty and Service tax, VAT and Sales Tax.
  - Packing Material and Stores & Spares purchased are written off as expenses in the year of purchase.
  - Imports are recognised on presentation of Bill of Entry at the Customs or on retiring the Import document whichever is earlier.
  - Dividend Income is recognised when the right to receive the dividend is unconditional.
- L. Employee Retirement Benefits**
- Provident Fund is a defined contribution scheme and the Company's contribution to Provident Fund is charged to Profit & Loss Account.
  - Retirement Benefits in the form of Gratuity and Leave Encashment which are defined benefit plans are determined and accrued on the basis of an independent actuarial valuation and are recognized in Profit & Loss account.
  - Short Term Employee Benefits are recognised as an expense in the Profit & Loss account for the year in which the related service is rendered.



**NOTES TO FINANCIAL STATEMENTS**

- M. Deferred Revenue Expenses:** Deferred Revenue Expenses include Expenses for Public issue of share and increase of Authorized Share Capital. These expenses are being written off over period of 5 Years.
- N. Investments:** Investments are stated at cost of Acquisition. No provision is made for the diminution in value, if the decline is only temporary.
- O. Earning Per Share:** The Company reports basic and diluted Earning Per Share (EPS) in accordance with Accounting Standard 20 on "Earning Per Share". Basic and Diluted EPS are Computed by dividing the net profit for the year attributable to equity shareholders by the number of equity shares outstanding during the year.

(₹ in Lacs)

As at 31<sup>ST</sup> March 2014 As at 31<sup>ST</sup> March 2013

**2. SHARE CAPITAL**

**Authorised Share Capital**

25000000 (25000000) Equity Shares of ₹ 10/- Each

**2500.00**

**2500.00**

**Issued, Subscribed & Paid Up**

19500011 (19500011) Equity Shares of ₹ 10/- Each

**1950.00**

**1950.00**

**1950.00**

**1950.00**

2.1 Number of Equity Shares outstanding at the beginning and at the end of the year are same i.e. 19500011 of ₹ 10/- each and hence no reconciliation is required

2.2 Terms/Rights attached to equity shares

The company has issued only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2014 amount per share of dividend recognised as distributions to equity shareholders was ₹ Nil ( P.Y. ₹ Nil) in the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the numbers of equity shares held by shareholders.

2.3 Details of shareholders holding more than 5% of the total shares

Equity shares of ₹ 10/- each fully paid

**31<sup>st</sup> March 2014**

**31<sup>st</sup> March 2013**

Shares Held By	No. of Shares	% holding	No. of Shares	% holding
Bilpower Limited	<b>8416460</b>	<b>43.16</b>	8416460	43.16
Manjulata Choudhary	<b>2000010</b>	<b>10.26</b>	2000010	10.26

**3 RESERVES & SURPLUS**

I Securities Premium Account

As at Beginning of the year

**6042.22**

6042.22

Add: on Share Issued During the Year

-

-

As at the end of the year

**6042.22**

6042.22

II Capital Reserve

As at Beginning of the year

**22.71**

22.71

Add: Additional During the year

-

-

As at the end of the year

**22.71**

22.71

III General Reserve

As at Beginning of the year

**279.92**

279.92

Add: Transfer from Profit and Loss Account

-

-

As at the end of the year

**279.92**

279.92

IV Surplus i.e. Balance In Statement of Profit & Loss

As at Beginning of the year

**(1451.64)**

(1152.18)

Loss for the year

**(1212.13)**

(299.46)

As at the end of the year

**(2663.77)**

(1451.64)

Total (I+II+III+IV)

**3681.08**

4893.21



## NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

As at 31<sup>ST</sup> March 2014 As at 31<sup>ST</sup> March 2013**4 LONG-TERM BORROWINGS**

Secured Loans

Term Loans

From Bank

<b>111.08</b>	148.69
<b><u>111.08</u></b>	<b><u>148.69</u></b>

## 4.1 Terms of repayment of Term Loan

- a) The Company has Common Loan Agreement with Dhanlaxmi Bank Ltd. Rupee Term Loan amount ₹ 500.00 Lacs sanctioned during FY.2011-12 by Dhanlaxmi Bank Ltd.
- b) The initial interest rate is 13.50% (Base Rate + 4.25% fixed per annum with reset after 2 years) p.a with monthly rest.
- c) The Loan is to be paid in 18 equal quarterly installments starting from 01/11/2011.
- d) Nature of security for Term Loan from Bank :  
Term loan secured by exclusive charge on "HAEFELY" make Impulse Generator at Pali Unit.
- e) Period and amount of default as on the balance sheet date 31st March, 2014 in respect of loans from Bank. (₹ in Lacs)

Name of Loan	Due Date	Principal Amount Overdue	Interest amount overdue	Total amount overdue
Term Loan	30/04/2013	-	1.59	1.59
Term Loan	31/05/2013	-	1.64	1.64
Term Loan	30/06/2013	-	1.59	1.59
Term Loan	31/07/2013	-	1.64	1.64
Term Loan	31/08/2013	-	1.64	1.64
Term Loan	30/09/2013	-	1.59	1.59
Term Loan	31/10/2013	-	1.64	1.64
Term Loan	30/11/2013	-	1.59	1.59
Term Loan	31/12/2013	-	1.64	1.64
Term Loan	31/01/2014	-	1.64	1.64
Term Loan	28/02/2014	-	1.49	1.49
Term Loan	31/03/2014	-	1.65	1.65
Total		-	19.34	19.34

**5 SHORT TERM BORROWINGS**

I Secured Loans

Loans Repayable On Demand

-Working Capital Loan Repayable On Demand From Bank

<b>3235.20</b>	1252.99
<b><u>3235.20</u></b>	<b><u>1252.99</u></b>

II Unsecured Loans

From Related Party

Interest Free Sales Tax Loan

<b>275.95</b>	236.19
<b><u>7.63</u></b>	<u>7.63</u>
<b><u>283.58</u></b>	<b><u>243.82</u></b>

Total (I+II)

<b><u>3518.78</u></b>	<b><u>1496.81</u></b>
-----------------------	-----------------------

5.1 Working Capital facilities is secured by Hypothecation of all Current Assets of the Company. The facilities are further collaterally Secured by equitable Mortgage of Land and Building at Boisar Unit and Hypothecation of all Fixed Assets of Boisar Unit.

5.2 Other unsecured loan received from related party Bilpower Limited ₹ 217.23 Lacs (P.Y. ₹ 236.19 Lacs), Bil Energy Systems Limited ₹ 58.72 Lacs (P.Y. Nil)

**6 TRADE PAYABLES**

Trade Payables

<b>906.59</b>	1742.72
<b><u>906.59</u></b>	<b><u>1742.72</u></b>

6.1 Trade Payables includes following related parties :-

₹ 6.24 Lacs (P.Y. ₹ 3.99 Lacs) payable to Related Party Choudhary Stamping , ₹ 76.38 Lacs (P.Y. ₹ 76.38 Lacs) payable to Related Party Bilpower Limited

₹ Nil (P.Y. ₹ 13.65 Lacs) payable to Related Party TRC Power; ₹ 18.91 Lacs (P.Y. ₹ 0.70 Lacs) payable to Related Party Bil Energy Systems Limited. ₹ 207.33 Lacs ( P.Y. ₹ Nil) payable to Related Party Niksan Engineering Co Limited.

6.2 The Company has not received any intimation from the suppliers under the Micro, Small & Medium Enterprises Development Act 2006 & therefore disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said act have not been given.



(₹ in Lacs)

As at 31<sup>ST</sup> March 2014 As at 31<sup>ST</sup> March 2013

**7 OTHER CURRENT LIABILITIES**

I	Current Maturities of Long Term Debts (Ref. Note No. 4.1)	<b>37.61</b>	660.05
II	Current Maturities of Car Loan	-	1.36
III	Interest Accrued and Due on Borrowings	<b>19.38</b>	-
IV	Trade Advances	<b>30.00</b>	2.68
V	Unclaimed Dividend	<b>1.58</b>	1.58
VI	Proposed Final Dividend	-	-
VII	Statutory Dues	<b>67.67</b>	32.45
VIII	Other Payables	<b>34.29</b>	37.12
		<b><u>190.53</u></b>	<b><u>735.24</u></b>

7.1 Additional information of Current Matutities of Long Term Debts  
Working Capital Demand Loan ₹ 9.40 Lacs crore sanctioned previous year by Canara Bank.  
Details of terms of repayment:  
F.Y.2013 -14, six equal monthly installments of ₹ 2.55 crores in April - 2013, ₹ 2.55 crores in May - 2013, ₹ 1.15 Lacs crores in June - 2013 and ₹ 0.25 Lacs crores in July-2013.

Working Capital facilities is secured by Hypothecation of all Current Assets of the Company. The facilities are further collaterally Secured by equitable Mortgage of Land and Building at Boisar Unit and Hypothecation of all Fixed Assets of Boisar Unit. Interest Rate-base rate + 4.50% currently 14.75% per annum with monthly rest. Other Terms Loan which are Auto Loans are secured against respective Vehicles.

7.2 Other payables includes provision of leave incashment ₹ 1.16 Lacs (P.Y.₹ 1.80 Lacs)

**8 FIXED ASSETS**

(₹ in Lacs)

Particulars	Gross Block			As At 31St March 2014	Depreciation			Net Block		
	As At 1St April, 2013	Addition	Deduction/ Adjustment		Upto 1St April,2013	Deduction/ Adjustment	For The Year	As At 31St March 2014	As At 31St March,2013	As At 31St March 2014
<b>A) Tangible Assets</b>										
Land ( Lease Hold)	13.03	-	-	<b>13.03</b>	-	-	-	-	13.03	<b>13.03</b>
Factory Building	726.95	534.17	0.20	<b>1260.92</b>	62.21	-	15.14	<b>77.35</b>	664.74	<b>1183.57</b>
Furniture & Fixture	27.08	0.51	-	<b>27.59</b>	13.13	-	1.04	<b>14.17</b>	13.95	<b>13.42</b>
Computers	8.70	-	-	<b>8.70</b>	4.51	-	1.11	<b>5.62</b>	4.19	<b>3.08</b>
Tools & Equipments	14.50	-	-	<b>14.50</b>	2.74	-	0.55	<b>3.29</b>	11.76	<b>11.21</b>
Electric Items	34.46	0.60	-	<b>35.06</b>	9.84	-	1.38	<b>11.22</b>	24.62	<b>23.84</b>
Vehicles	75.20	4.57	8.54	<b>71.23</b>	33.07	3.37	4.40	<b>34.10</b>	42.13	<b>37.13</b>
Plant & Machinery	1108.04	1253.30	32.89	<b>2328.45</b>	263.48	-	67.59	<b>331.07</b>	844.56	<b>1997.38</b>
Office Equipment	6.67	-	-	<b>6.67</b>	2.21	-	0.13	<b>2.34</b>	4.46	<b>4.33</b>
Air Conditioner	8.33	-	-	<b>8.33</b>	1.95	-	0.95	<b>2.90</b>	6.38	<b>5.43</b>
<b>Sub Total</b>	<b>2022.96</b>	<b>1793.15</b>	<b>41.63</b>	<b>3774.48</b>	<b>393.14</b>	<b>3.37</b>	<b>92.29</b>	<b>482.06</b>	<b>1629.82</b>	<b>3292.42</b>
<b>B) Intangible Assets</b>										
Goodwill	155.55	-	-	<b>155.55</b>	23.34	-	-	<b>23.34</b>	132.21	<b>132.21</b>
<b>Sub Total</b>	<b>155.55</b>	<b>-</b>	<b>-</b>	<b>155.55</b>	<b>23.34</b>	<b>-</b>	<b>-</b>	<b>23.34</b>	<b>132.21</b>	<b>132.21</b>
<b>Grand Total (A)+(B)</b>	<b>2178.51</b>	<b>1793.15</b>	<b>41.63</b>	<b>3930.03</b>	<b>416.48</b>	<b>3.37</b>	<b>92.29</b>	<b>505.40</b>	<b>1762.03</b>	<b>3424.63</b>
Previous Year	2177.97	0.54	-	<b>2178.51</b>	353.74	-	62.74	<b>416.48</b>	1824.23	<b>1762.03</b>
Capital Work In Progress	1795.16	10.43	1805.59	-	-	-	-	-	1795.16	-

Note: Capital work in progress excluded advances on capital accounts. Previous year figures have been regrouped wherever necessary.

**9 LONG-TERM LOANS AND ADVANCES**

I	Capital Advances (Unsecured, Considered Good)	<b>593.32</b>	523.32
II	Security Deposit (Unsecured, Considered Good)	<b>110.41</b>	132.09
III	Other Loans And Advance (Unsecured, Considered Good)		
	Balances With Statutory/Revenue Authorities-Sales Vat	<b>92.30</b>	102.68
	Total (I+II+III)	<b><u>796.03</u></b>	<b><u>758.09</u></b>



## NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

As at 31<sup>ST</sup> March 2014 As at 31<sup>ST</sup> March 2013

<b>10</b>	<b>OTHER NON CURRENT ASSETS</b>				
	Miscellaneous Expenditure (To The Extent Not Written Off)			<b>58.71</b>	117.42
				<b>58.71</b>	117.42
<b>11</b>	<b>CURRENT INVESTMENTS</b>				
	I Trade investments		QTY		
	Equity Shares, Quoted, Valued at Cost-Fully Paid up	<b>31.03.2014</b>	31.03.2013		
	In Other				
	Marsons Limited (F.V. ₹10/-)	<b>118660</b>	118660	<b>16.60</b>	16.60
	KDJ Holidayscapes & Resorts Limited (F.V. ₹ 2/-)	<b>260398</b>	-	<b>257.70</b>	-
	Mutual Fund Units, Unquoted (At Cost)				
	Canara Robeco Mutual Fund Collection	-	-	<b>10.00</b>	10.00
	II Other Investments				
	Equity Shares, Unquoted, Valued At Cost-Fully Paid Up				
	In Other				
	Shri Tradco Deesan Pvt Ltd (F.V. ₹ 10/-)	<b>1100000</b>	450000	<b>110.00</b>	45.00
	Honest Derivatives Pvt Ltd (F.V. ₹10/-)	<b>500000</b>		<b>50.00</b>	-
				<b>444.30</b>	71.60
	Aggregate Amount of Quoted Investment			<b>274.30</b>	16.60
	Market Value of Quoted Investments			<b>76.77</b>	3.88
	Aggregate Amount of Unquoted Investment			<b>170.00</b>	55.00
<b>12</b>	<b>INVENTORIES</b>				
	(As taken valued & certified by the Management)				
	Raw Materials			<b>336.14</b>	355.77
	Work in Progress			<b>81.50</b>	555.01
	Finished Goods			<b>17.51</b>	17.36
	Stock in Trade			-	341.78
				<b>435.15</b>	1269.92
	Stock written off (Ref. Note No. 42)			<b>35.46</b>	-
				<b>399.69</b>	1269.92
<b>13</b>	<b>TRADE RECEIVABLE</b>				
	I Due for a period Exceeding Six Months				
	-(Unsecured and Considered Good)			<b>890.42</b>	477.28
	-(Unsecured and Considered Doubtful)			-	-
				<b>890.42</b>	477.28
	Less : Provision for Doubtful Debts			-	-
				<b>890.42</b>	477.28
	II Other Receivables				
	-(Unsecured and Considered Good)			<b>2314.39</b>	1473.78
				<b>3204.81</b>	1951.06
<b>14</b>	<b>CASH AND CASH EQUIVALENTS</b>				
	I Balances With Banks				
	a) Current Accounts			<b>(35.35)</b>	30.97
	b) Earmarked Balances with Banks-Unpaid Dividend			<b>1.58</b>	1.58
	c) Cash in Hand			<b>5.56</b>	17.48
				<b>(28.21)</b>	50.03
	II Other Bank Balances				
	a) Amount Held as Margin Money			<b>5.64</b>	13.81
	b) Fixed Deposit with Banks *			<b>45.93</b>	135.95
				<b>51.57</b>	149.76
	Total ( I + II )			<b>23.36</b>	199.79
	* (Held as margin money or security against guarantees, letter of credits and other commitments)				





(₹ in Lacs)

As at 31<sup>ST</sup> March 2014 As at 31<sup>ST</sup> March 2013

**15 SHORT-TERM LOANS AND ADVANCES**

(Unsecured And Considered Good)

I	Loan And Advance Recoverable in Cash or Kind		
	To Related Party	-	250.68
	To Others	1724.43	2500.82
II	Balance with Statutory/Revenue Authorities Excise and Service Tax	203.30	234.62
III	Prepaid Expenses	6.30	5.05
IV	Advance Income Tax (Net of Provision)	72.50	50.43
		<b>2006.53</b>	<b>3041.60</b>

**15.1** Loans and advances recoverable from following related parties

Bil Energy Systems Limited ₹ Nil (P.Y. ₹ 117.53 Lacs)  
Nixsan Engineering Co Limited ₹ Nil (P.Y. ₹ 133.15 Lacs)

**16 REVENUE FROM OPERATIONS**

I	Sales of Manufactured Goods		
	- Transformers	728.62	3093.20
	- Transformers Parts(Repair)	511.09	152.59
	- Others	13.66	6.19
		<b>1253.37</b>	<b>3251.98</b>
II	Sales of Trading Goods		
	- Iron & Steel, CRGO Electrical Steel Sheet/Strip	2739.33	2081.16
	- Others	-	75.32
		<b>2739.33</b>	<b>2156.48</b>
III	Sales Of Services		
	- Labour Job	121.33	64.65
		<b>121.33</b>	<b>64.65</b>
IV	Other Operating Revenues		
	- Scrap Sales	285.55	323.13
		<b>285.55</b>	<b>323.13</b>
	Sub Total (I+II+III+IV)	<b>4399.58</b>	<b>5796.24</b>
	Less Excise Duty	143.98	360.43
	Total Revenue From Operations (Net)	<b>4255.60</b>	<b>5435.81</b>

**17 OTHER INCOME**

I	Interest Income		
	- Interest From Bank on Deposit	11.39	15.13
	- Interest on Loans And Advances	174.98	173.32
II	Dividend Income		
	- From Others	-	0.12
III	Other Non-Operating Income		
	- Sundry Balance Written Back	0.91	0.05
	- Rent Income	15.05	-
	- Miscellaneous Income	0.77	0.01
		<b>203.10</b>	<b>188.63</b>

**18 COST OF MATERIALS CONSUMED**

I	Cost for Sales		
	Cost of Material Consumed		
	- Opening Stock	363.52	520.21
	Add Purchase during the Year	1021.60	2848.36
	Less Closing Stock	305.16	363.52
		<b>1079.96</b>	<b>3005.05</b>

**19 STOCK IN TRADE PURCHASE**

	- Iron & Steel, CRGO Electrical Steel Sheet/Strip	2393.69	2418.21
	- Others	-	73.61
		<b>2393.69</b>	<b>2491.82</b>



## NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

As at 31<sup>ST</sup> March 2014 As at 31<sup>ST</sup> March 2013**20 CHANGES IN INVENTORIES**

## I At the End of the Year

Finished Goods	17.51	17.36
Work-in-Progress	77.02	556.14
Stock in Trade	-	341.78
	<u>94.53</u>	<u>915.28</u>

## II At the Beginning of the Year

Finished Goods	17.36	0.31
Work-in-Progress	547.26	231.11
Stock in Trade	341.79	-
	<u>906.41</u>	<u>231.42</u>

Total (II)-(I)

	<u>811.88</u>	<u>(683.86)</u>
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**21 EMPLOYEE BENEFITS EXPENSES**

I Salaries, Wages, Bonus & Allowances	175.02	163.30
II Contribution to Provident & Other Funds	2.55	3.05
III Staff Welfare Expenses	3.39	3.51
	<u>180.96</u>	<u>169.86</u>

**21.1** Salaries, Wages, Bonus & Allowances includes Leave Encashment Expenses ₹ 1.24 Lacs (P.Y. ₹ 1.80 Lacs)**22 FINANCE COSTS**

## Interest Expenses

From Bank	378.62	238.91
From Other	19.82	9.06
	<u>398.44</u>	<u>247.97</u>
Other Borrowing Costs	56.44	44.55
	<u>454.88</u>	<u>292.52</u>

**23 OTHER EXPENSES****Manufacturing Expenses**

Store & Spares	28.99	6.88
Power and Fuel	36.53	47.46
Factory Expenses	25.75	23.23
Labour Charges	82.90	108.09
Repair and Maintenance		
-Repair and Maintenance-Plant & Machinery	7.20	1.55
-Repair and Maintenance-Others	1.62	1.43
Excise Duty on Closing Stock FG	1.64	-
Packing Expenses	0.49	0.54
Provision for Obsolete Stock	-	8.87

**Selling and Distribution Expenses**

Freight and Transport Charges	52.35	37.79
Commission and Brokerage	4.41	5.15
Advertisement and Publicity Expenses	0.52	0.37
Liquidated Damages (Penalty)	88.41	121.61
Price Variation	2.60	0.34
Business Promotion Expenses	3.97	5.04
Discount, Rate Difference	62.61	-
Bad Debts Written Off	74.40	-
Expenses After Sales Against Warranty Job	33.76	-



**Administrative & Office Expenses**

Insurance Charges	5.18	1.73
Conveyance and Travelling	18.17	22.10
Postage & Telegram and Telephone	5.35	5.92
Testing Charges	9.16	12.41
Payment to Auditors		
-Audit Fees (Including Tax Audit)	2.00	2.00
Legal & Professional Fees-Other than Payment to Auditors		
-Consultancy Fees	0.86	2.60
-Legal & Professional Fees	21.14	13.43
Stamp Duty, Stamp Paper and Franking Charges	0.63	5.14
Electricity Charges	4.95	-
Office & General Expenses	10.97	4.59
Registrar & Share Transfer Charges	0.63	-
Rates & Taxes	2.14	9.44
Rent	5.21	7.17
Printing & Stationery	1.91	1.75
Loss on Exchange Rate Fluctuation	0.60	55.16
Miscellaneous Expenditure W/Off	58.71	58.71
Loss on Sales Of Assets	1.40	-
Sundry Balance W/Off	0.01	15.27
	<b>657.17</b>	<b>585.77</b>

**24. CONTINGENT LIABILITIES**

(₹ in Lacs)

Sr. No.	Particulars	As at 31 <sup>ST</sup> March 2014	As at 31 <sup>ST</sup> March 2013
(A)	Guarantees outstanding	365.86	511.04
(B)	Income Tax Demands including interest which is under dispute and pending in appeals	221.83	149.23
(C)	Custom duty on pending export obligation against import of machinery	144.85	144.85

**25. C.I.F.VALUE OF IMPORTS, EXPENDITURES AND EARNINGS IN FOREIGN CURRENCY**

Particulars	As at 31 <sup>ST</sup> March 2014	As at 31 <sup>ST</sup> March 2013
(A) <b>C.I.F. Value of Imports</b>		
Import Purchase	Nil	65.64
Capital Goods (Including Advances)	Nil	-
Total	Nil	65.64
(B) <b>Expenditure in Foreign Currency</b>		
Travelling Expenses	Nil	-
Buyers credit interest	Nil	9.47
(C) <b>Earnings Foreign Currency</b>	Nil	Nil

**26. SEGMENT REPORTING**

The company primarily deals in the business of Manufacturing, Repair, Refurbishment and Upliftment of transformers and there are no material exports hence there is no Primary reportable segment, either product wise or geographical, in the context of Accounting Standard 17 issued by The Institute of Chartered Accountants of India.

**27. RELATED PARTY DISCLOSURES**

(A) The Company had transaction with the following related parties:

Sr. No.	Name of The Related Party	Relationship
1)	Bilpower Limited	Associate
2)	Bil Energy Systems Limited	Associate
3)	Niksan Engineering Company Limited	Associate
4)	Rajendra Kumar Choudhary	Key Management Personnel
5)	Choudhary Stamping	Proprietary concern of relative of KMP
6)	TRC Power	Proprietary concern of relative of KMP



**NOTES TO FINANCIAL STATEMENTS**

(B) Related Party Transactions

(₹ in Lacs)

Sr. No.	Nature of Transactions	Nature of Relationship			Total Transaction
		Associates	Key Management Personnel	Relatives of KMP & Their Proprietary Concern	
1	Purchase of Goods	338.47 (1528.95)	- -	- (13.65)	338.47 (1542.60)
2	Sales of Goods	- (67.26)	- -	- -	- (67.26)
3	Receiving of Services				
	Labour Charges	-	-	2.79	2.79
	Rent Expenses	3.60 (3.60)	- -	(1.96) -	(1.96) 3.60 (3.60)
4	Finance (Including Loan & Equity Contributions in Cash or Kind)				
	Loans & Advances Received	99.51 (236.19)	26.68 -	- (20.00)	126.19 (256.19)
	Loans & Advances Given	3.55 (133.18)	- -	- (7.36)	3.55 (140.54)
5	Outstanding as at 31st March 2014				
	Expenses Payable	-	-	-	-
	Loans & Advances Receivable	275.95 (236.19)	(0.43) -	- -	(0.43) 275.95 (236.19)
	Trade Payable	302.62 (77.08)	- -	6.24 (17.64)	308.86 (94.72)
	Loans & Advances Given	- (250.68)	- -	- -	- (250.68)

Note : Figures in Brackets Relate to Previous Year

**Disclosure in respect of Material Related Party Transactions During the year:-**

1. Purchase of Goods/Expenses includes: Niksan Engineering Company Limited ₹ 319.56 Lacs (P.Y. ₹ 1486.12 Lacs), Bil Energy Systems Limited ₹ 18.91 Lacs (P.Y. ₹ 42.83 Lacs), TRC Power ₹ NIL Lacs ( P.Y. ₹ 13.65 Lacs).
2. Sales of Goods includes: Bil Energy Systems Limited ₹ NIL Lacs (P.Y. ₹ 67.26 Lacs).
3. Receiving of Services
  - a) Labour Charges (Expenses) includes:- Choudhary Stamping ₹ 2.79 Lacs (P.Y. ₹ 1.96 Lacs)
  - b) Rent Expenses includes:- Niksan Engineering Company Limited ₹ 3.60 Lacs (P.Y. ₹ 3.60 Lacs)
4. Finance (Including Loans & Equity Contributions on Cash or Kind)
  - a) Loans & Advances Received includes: – Bilpower Limited ₹ 10.73 Lacs (P.Y. ₹ 236.19 Lacs), Bil Energy Systems Limited ₹ 88.78 Lacs (P.Y. ₹ NIL), Rajendra Kumar Choudhary ₹ 26.68 Lacs (P.Y. ₹ NIL), Choudhary Stamping ₹ Nil Lacs (P.Y. ₹ 20.00 Lacs).
  - b) Loans & Advances Given includes: – Niksan Engineering Company Limited ₹ NIL Lacs (P.Y. ₹ 133.15 Lacs), Bil Energy Systems Limited ₹ 3.55 (P.Y. ₹ 0.03 Lacs), TRC Power ₹ NIL Lacs ( P.Y. ₹ 7.36 Lacs).
5. Outstanding as at 31st March, 2014.
  - a) Expenses Payables includes: – Mohan Ranadive ₹ NIL Lacs (P.Y. ₹ 0.43 Lacs).
  - b) Loans & Advance Received includes: – Bilpower Limited ₹ 217.23 Lacs (P.Y. ₹ 236.19 Lacs), Bil Energy Systems Limited ₹ 58.72 Lacs (P.Y. ₹ NIL Lacs),
  - c) Trade Payables includes: – Nik-San Engineering Company Limited ₹ 207.33 Lacs ( P.Y. ₹ NIL Lacs), Bilpower Limited ₹ 76.38 Lacs (P.Y. ₹ 76.38 Lacs), Bil Energy Systems Limited ₹ 18.91 Lacs (P.Y. ₹ 0.70 Lacs), Choudhary Stamping ₹ 6.24 Lacs (P.Y. ₹ 3.99 Lacs), TRC Power ₹ NIL Lacs ( P.Y. ₹ 13.65 Lacs).
  - d) Loans & Advance Given includes:
 

Nik San Engineering Company Limited ₹ NIL Lacs ( P.Y. ₹ 133.15 Lacs), Bil Energy Systems Limited ₹ NIL Lacs (P.Y. ₹ 117.53 Lacs)

**28. DEFERRED TAX LIABILITY STATEMENT**

(₹ in Lacs)

Particulars	Deferred tax Liability/ asset as at 01-04-2013	Current Period Changes	Deferred tax liability/asset as at 31-03-2014
<b>Deferred Tax Liabilities</b>			
Difference between book and tax depreciation	Nil	Nil	Nil
	Nil	Nil	Nil

**29. RAW MATERIAL CONSUMED: –**

The material purchases have been applied towards manufacturing as well as repairs of transformers. Since the material has been used in common facilities towards both and since the requirement of law is to show consumption of Raw Material for Manufacturing, the same has not been given.



**NOTES TO FINANCIAL STATEMENTS**

**30 PURCHASE OF TRADED GOODS**

(₹ in Lacs)

Sr.No.	Category	As at 31 <sup>ST</sup> March 2014	As at 31 <sup>ST</sup> March 2013
1	C R Sheet / Coil	636.94	672.15
2	M.S. Plate	175.70	-
3	CRGO/CRNGO Electrical Steel Sheet/Strip	-	65.64
4	Futcom Copper (MCX)	-	73.61
5	H.R.Plate	1344.21	1461.10
6	G. P. Coils/Sheets	236.84	219.32
	Total	2393.69	2491.82

**31 SALE OF PRODUCTS COMPRISES :-**

i) Manufactured goods

(₹ in Lacs)

Sr.No.	Category	As at 31 <sup>ST</sup> March 2014	As at 31 <sup>ST</sup> March 2013
1	Transformers & Parts	511.09	152.59
2	CTPT	265.53	176.56
3	Distribution Transformers	429.94	2835.18
4	Power Transformers	33.15	81.46
5	Scrap	285.55	323.13
6	Other	13.66	6.19
	Total	1538.92	3575.11

ii) Traded Goods

(₹ in Lacs)

Sr.No.	Category	As at 31 <sup>ST</sup> March 2014	As at 31 <sup>ST</sup> March 2013
1	C R Sheet / Coil	723.86	587.92
2	M.S. Plate	176.03	-
3	CRGO/CRNGO Electrical Steel Sheet/Strip	-	67.20
4	Futcom Copper (MCX)	-	75.32
5	H.R.Plate	1574.38	1233.90
6	G. P. Coils/Sheets	265.06	192.14
	Total	2739.33	2156.48

**32 DETAILS OF CLOSING STOCK**

i) Closing Stock of Finished Goods

(₹ in Lacs)

Sr.No.	Category	As at 31 <sup>ST</sup> March 2014	As at 31 <sup>ST</sup> March 2013
1	Distribution Transformers	2.15	0.40
2	CTPT	14.82	16.96
3	Scrap	0.54	-
	Total	17.51	17.36

ii) Closing Stock of Traded Goods

(₹ in Lacs)

Sr.No.	Category	As at 31 <sup>ST</sup> March 2014	As at 31 <sup>ST</sup> March 2013
1	C R Sheet / Coil	-	85.44
2	H.R.Plate	-	228.74
3	G. P. Coils/Sheets	-	27.60
	Total	-	341.78

**33 EARNINGS PER SHARE (EPS)**

(₹ in Lacs)

Particular	As at 31 <sup>ST</sup> March 2014	As at 31 <sup>ST</sup> March 2013
Profit after tax	(1212.13)	(299.46)
Weighted average number of Equity Shares – Basic & Diluted	19500011	19500011
Earning Per Share (in ₹) – Basic & Diluted	(6.22)	(1.54)



## NOTES TO FINANCIAL STATEMENTS

## 34 PAYMENT TO AUDITORS :

(₹ in Lacs)

Particular	As at 31 <sup>ST</sup> March 2014	As at 31 <sup>ST</sup> March 2013
As Auditors	2.00	2.00
Other Jobs	0.73	-
IPO related Jobs	-	-
Total	2.73	2.00

35. Term Deposit Receipts wherever obtained are endorsed in favor of Banks and Government Departments against Bank Guarantee, L/C Facility etc.
36. **Disclosure pursuant to adoption of accounting standard 15**  
Gratuity liability for the year is determined on actuarial valuation by the Life Insurance Co of India with whom the company has taken a policy for the settlement of future liability.
37. Some of the Creditors / Debtors / Loans / Advances are subject to Confirmations and resultant reconciliation, if any.
38. The Company has not received any intimation from the suppliers under the Micro, Small & Medium Enterprises Development Act 2006 & therefore disclosures, if any relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.
39. In terms of the requirements of the Accounting Standards-28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the amount recoverable against Fixed Assets has been estimated for the period by the management based on present value of estimated future cash flows expected to arise from the continuing use of such assets. The recoverable amount so assessed was found to be adequate to cover the carrying amount of the assets, therefore no provision for impairment in value thereof has been considered necessary, by the management.
40. As per the best estimate of the management, no provision is required to be made as per Accounting Standard (AS) 29 "Provision, Contingent Liabilities & Contingent Assets" as notified by the companies (Accounting Standards) Rules 2006, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources which would be required to settle the obligation.
41. As at 31st March, 2014, IPO proceeds have been utilised as stated below. The utilisation of fund was as amended and ratified by the shareholder in the AGM held on 30th August, 2011.

(₹ in Lacs)

Particulars	Objects as per Prospectus	Actual Utilisation
<b>Amount Received From IPO ₹ 6375.00 Lacs</b>		
Expansion and modernisation of Pali Unit	3414.46	2707.18
Financing Working Capital Requirement	800.00	2031.36
Marketing and Brand development expenses	200.00	-
Acquisition of Business	2500.00	638.67
General Corporate Purpose	1351.91	689.01
Issue Expenses	299.53	308.79
Total	8565.90	6375.00

Note: As on 31st March, 2011 unutilized funds have been invested in liquid mutual fund schemes, Bank Fixed deposits and repayment of term loan to bank.

42. During the financial year the company has written off stock of Boisar Unit only.
43. Sundry Debtors as on the date of Balance Sheet are net of amounts received after discounting of Letter of Credits.
44. Previous Year Figures have been regrouped / Re cast wherever necessary.

Signature to the Balance Sheet, Statement of Profit and Loss and notes which form an integral part of accounts.

As per our attached report of even date.

**For Raman S. Shah and Associates**

Chartered Accountants  
Firm Regn.No. 119891W

**CA Raman S. Shah**

Partner  
Membership No. 033272  
Mumbai: 28th May 2014

**Ekta Kumari**

Company Secretary

**For and on behalf of the Board****Naresh Kumar Choudhary**

Director  
Din : 00678497

**Rajendra Kumar Choudhary**

Whole-Time Director  
Din : 00494663

Mumbai: 28th May 2014



# TARAPUR TRANSFORMERS LIMITED

CIN - L99999MHI988PLC047303

Regd. Off.: J-20, MIDC, Tarapur Industrial Area, Boisar, Distt. Thane - 401506

Tel: 022-42428080, Fax: 022-28811225, Email: complianceofficer@tarapurtransformers.com, Website: www.tarapurtransformers.com

## ATTENDANCE SLIP

(To be presented at the entrance)

26th ANNUAL GENERAL MEETING ON MONDAY, SEPTEMBER 29, 2014 AT 10.00 a.m.

At J-20, MIDC, Tarapur Industrial Area, Boisar, Distt. Thane – 401506

Folio No. \_\_\_\_\_

DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member \_\_\_\_\_

Signature \_\_\_\_\_

Name of the Proxy holder \_\_\_\_\_

Signature \_\_\_\_\_

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

----- ✂----- Cut from here ----- ✂-----



# TARAPUR TRANSFORMERS LIMITED

CIN - L99999MHI988PLC047303

Regd. Off.: J-20, MIDC, Tarapur Industrial Area, Boisar, Distt. Thane - 401506

Tel: 022-42428080, Fax: 022-28811225, Email: complianceofficer@tarapurtransformers.com, Website: www.tarapurtransformers.com

## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s): .....

Registered address: .....

E-mail Id : .....

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

I / We, being the member(s) of ..... Shares of Tarapur Transformers Limited, hereby appoint:

1. Name: ..... E-mail Id: .....

Address: .....

..... Signature: .....

or failing him

2. Name: ..... E-mail Id: .....

Address: .....

..... Signature: .....

or failing him

3. Name: ..... E-mail Id: .....

Address: .....

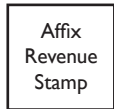
..... Signature: .....

or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual general meeting of the company to be held on Monday 29th Day of September, 2014 at 10.00 a.m. at J-20, MIDC, Tarapur Industrial Area, Boisar, Distt. Thane – 401506 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2014.
2. Re appointment of Mr. Rajendrakumar Anandilal Choudhary as Director of the Company.
3. Appointment of Statutory Auditors
4. Appointment of Mr. Kesavan Mudakkarappillil Sugathan as an Independent Director of the Company.
5. Appointment of Mr. Ramalingam Ganesh Subramanian Iyer as an Independent Director of the Company.

Signed this ..... day of ..... 2014



Signature of shareholder

Signature of Proxy holder(s)

### NOTES:

1. This Form in order to be effective should be duly completed and deposited at the Corporate Office of the Company at 836/837, IJMIMA Complex Raheja Metroplex, Link Road, Behind Goregaon Sports Club, Malad (W), Mumbai – 400 064, not less than 48 hours before the commencement of the Meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance slip/Proxy.

**BOOK – POST**

**To**

If not delivered, please return to :

**TARAPUR TRANSFORMERS LIMITED**

**CIN - L99999MH1988PLC047303**

**Corporate Office:** 836/837, 8th Floor, IJMIMA Complex, Raheja Metroplex,  
Link Road, Malad (W), Mumbai – 400 064

Tel.: +91 22 42728080 Fax: +91 22 28811225

• Email: [complianceofficer@tarapurtransformers.com](mailto:complianceofficer@tarapurtransformers.com)  
[www.tarapurtransformers.com](http://www.tarapurtransformers.com)