August 17, 2018

Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 023
Scrip Code: 532717

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
Symbol: INDOTECH

Dear Sirs,

Sub: - Annual Report for the Financial Year 2017-18

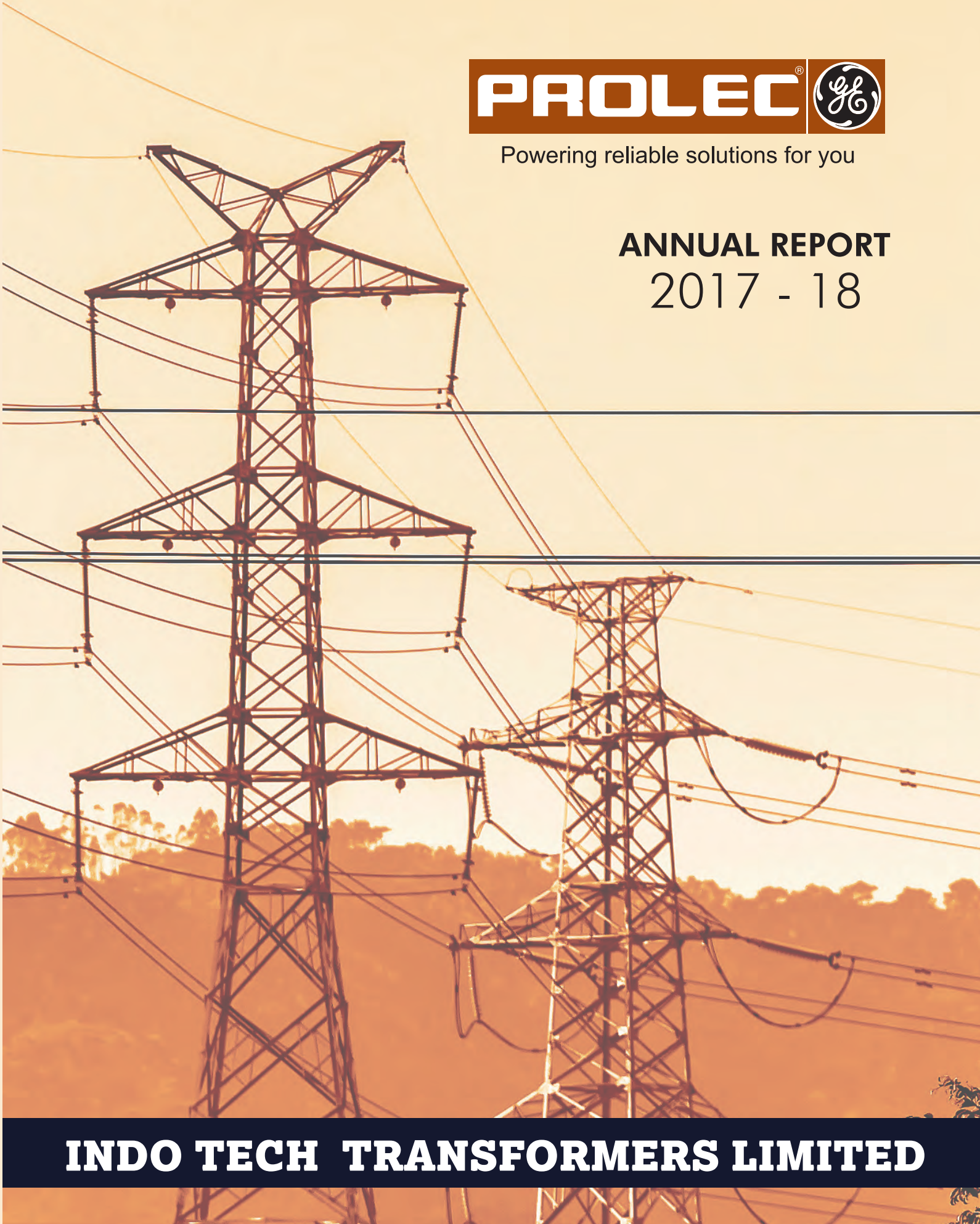
Pursuant to the Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report 2017-18 which is duly approved and adopted by the members of the Company at their 26th Annual General Meeting held on August 14, 2018 for the financial year ended 31st March 2018.

This is for your kind information and records.

Yours faithfully,

For Indo Tech Transformers Limited

Sathyamoorthy A
Company Secretary & Compliance Officer



PROLEC GE

Powering reliable solutions for you

ANNUAL REPORT
2017 - 18

INDO TECH TRANSFORMERS LIMITED



Internal assembly of 150 MVA, 220 kV Transformer: Performance coupled with aesthetics



Skid mounted substation (SMS): SMS is an apt solution to Renewable power producers to meet expectations of short execution period at optimum cost

Annual General Meeting on Tuesday, the 14th August 2018 at Hotel Fairfield by Marriott, Sriperumbudur At 2.30 P.M

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COMPANY INFORMATION

Board of Directors	Ricardo Suarez Garza Non-Executive Director - Chairperson Ajay Kumar Sinha Whole-Time Director Anthony Vincent Benoit Allard Non-Executive Director M. S. Srinivasan Independent Director P. V. Krishna Independent Director Tabassum M Wajid Independent Director
Chief Financial Officer	Abhishek Dalmia
Company Secretary & Compliance Officer	Sathyamoorthy A
Statutory Auditors	B S R & Co. LLP, Chartered Accountants KRM Tower, 1st & 2nd Floor, No 1, Harrington Road, Chetpet, Chennai-600 031,India Telephone : +91 44 39145000 Fax : +91 44 39145999
Secretarial Auditors	J B BHAVE & Co, Company Secretaries 7/ 9, Karan Aniket, Level 4 & 5 Plot No. 37, Shri Varanasi Society, Behind Atul Nagar, Off Mumbai-Bangalore By-pass, Warje, Pune 411 058
Internal Auditors	G Balu Associates LLP, Chartered Accountants 4 - A Venkatesa Agraharam Road Mylapore, Chennai - 600 004.
Cost Auditors	J G & Co, Cost Accountants Flat #1, 261 "Z" Block, 6th Street V Avenue, Anna Nagar Chennai 600040
Registrar and Transfer Agents	Link Intime India Private Limited C-101,247 Park, L B S Marg, Vikhroli West, Mumbai-400083 Telephone : 022-49186270 Fax : 022-49186060 Email : rnt.helpdesk@linkintime.co.in
Bankers	Bank of Baroda State Bank of India Citibank N. A. HDFC Bank
Registered Office & Factory	Survey no.153-210, Illuppapattu Village, Near Rajakulam, KM-64, Kancheepuram (Dist.),Tamilnadu-631561.

NOTICE

NOTICE is hereby given that the **26th Annual General Meeting ('AGM')** of the Members of Indo Tech Transformers Limited will be held at the Hotel Fairfield by Marriott, FSP, Mambakkam, Sriperumbudur, Kancheepuram District, Tamil Nadu 602105 on Tuesday, August 14, 2018 at 2.30 P.M to transact the following business:-

ORDINARY BUSINESS:

(1) To receive, consider and adopt the Audited Financial statements for the financial year ended 31st March 2018 and the Reports of the Directors and Auditors thereon.

(2) To appoint Director in place of Mr. Ricardo Suarez Garza (DIN: 07194157), who retires by rotation, being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

(3) Appointment of Mr Anthony Vincent Benoit Allard as Director

To consider, and if thought fit, to pass the following resolution as **Ordinary Resolution:**

RESOLVED that pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 ("the Act") read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 ("the Rules"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr Anthony Vincent Benoit Allard having Director Identification Number 07992699 who was appointed by the Board of Directors, as an Additional Director of the Company with effect from November 29, 2017 pursuant to Section 161 of the Act and the Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company, who being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a Member proposing the candidature of Mr Anthony Vincent Benoit Allard for the office of Director, be and is hereby appointed as a Director of the Company.

(4) Appointment of Mr Ajay Kumar Sinha as Director of the Company

To consider, and if thought fit, to pass the following resolution as **Ordinary Resolution:**

RESOLVED that pursuant to the provisions of Section 152, 160 and other applicable provisions of the Companies Act, 2013 ("the Act") read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 ("the Rules"), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr Ajay Kumar Sinha having Director Identification Number 07972409 who was appointed by the Board of Directors, as an Additional Director of the Company with effect from November 29, 2017 pursuant to Section 161 of the Act and the Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company, who being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a Member proposing the candidature of Mr Ajay Kumar Sinha for the office of Director, be and is hereby appointed as a Director of the Company and liable to retire by rotation.

(5) Appointment of Mr Ajay Kumar Sinha as the Whole-Time Director of the Company

To consider, and if thought fit, to pass the following resolution as **Special Resolution:**

RESOLVED that pursuant to the provisions of Sections 2(94), 2 (78) , 196, 197 & 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the consent of the members of the Company be and are hereby accorded to the appointment of Mr Ajay Kumar Sinha, DIN: 07972409, as the Whole Time Director of the Company for a period of five years with effect from 29th November 2017 upon the terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) on the remuneration and on such terms and conditions as set out below with liberty and authority to the Board of Directors and Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment from time to time within the scope of Schedule V of the Companies Act, 2013, or any amendments thereto or any re-enactment thereof as may be agreed to between the Board of Directors, Nomination and Remuneration Committee and Mr. Ajay Kumar Sinha.

i. Salary at the rate of Rs. 65,10,000 (Rupees Sixty Five Lakhs Ten Thousand Only) per annum which may be reviewed by the Board and Nomination & Remuneration Committee from time to time.

ii. The Whole Time Director shall be entitled to participate in provident fund, gratuity fund or such other schemes for the employees, which the company may establish from time to time.

iii. Reimbursement of medical and hospitalization expenses of the Whole Time Director and his family in accordance with the Company policy.

iv. Leave Travel Allowance for the Whole Time Director and his family in accordance with the Company policy.

v *Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy.*

vi. *The Whole Time Director shall be entitled to such increment from time to time as the Board may by its discretion determine.*

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.

(6) Approval of Related Party Transaction

To consider, and if thought fit, to pass the following resolution as **Ordinary Resolution**:

RESOLVED that pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies (Indian Accounting Standards) Rules,2015 (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and are hereby accorded for entering into the Contracts/ Arrangement/Transactions with the Related Parties of the Company during the financial year 2018-19, up to the maximum amounts as appended in table below:

S. No	Name of the related party	Relationship	Maximum value of transaction to be entered during FY 2018-19
1	Prolec-GE Internacional S. de R L. de. C. V	Promoter	Rs 20 Crores
2	All General Electric group entities which are related party to the Company.	Associate(s)	Rs 50 Crores
3	Any other person/ entity which is a Related Party		

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.

(7) Ratification of the Remuneration of the Cost Auditor

To consider, and if thought fit, to pass the following resolution as **Ordinary Resolution**:

RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members of the Company be and is hereby accorded to ratify the remuneration decided by the Board of Directors, based on the recommendation of the Audit Committee, of Rs. 2,00,000/- (Rupees Two Lakhs Only) plus Tax at the applicable rates and reimbursement of out of pocket expenses to Mr. M J Gopalakrishnan, Cost Accountant, who has been appointed by the Board of Directors of the Company, for conducting the audit of the cost records of the Company for the financial year ending on 31st March 2019.

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

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution.

By order of the Board of Directors
for Indo-Tech Transformers Limited

Place: Chennai
Date: May 16, 2018

Sathyamoorthy A
Company Secretary

Notes:

(1) The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts with respect to the special business set out in the Notice is annexed.

(2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument of Proxy in order to be effective should be deposited at the Registered Office of the Company, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of AGM. A Proxy Form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by appropriate resolutions/ authority, as applicable.

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 Member.

(3) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided that not less than three days of notice in writing is to be given to the Company.

(4) Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

(5) Proxies submitted on behalf of Limited Companies, Societies and Partnerships firms, etc. must be supported by appropriate resolution / authority as applicable issued by the member organisation.

(6) Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Annual General Meeting.

(7) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

(8) The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

(9) Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.

(10) Members desiring any information with regard to Accounts / Reports are requested to write to the Company Secretary at least ten days before the meeting so as to enable the management to keep the information ready.

(11) The Register of Members and Share Transfer Books of the Company will remain closed from 8th August 2018 to 14th August 2018 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

(12) Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (DP) ID number on all correspondences with the Company. The Transfer deeds, communication for change of address, bank details, ECS details (if any) should be lodged with the Registrar & Share Transfer Agents ('RTA') of the Company, Link Intime India Private Limited. Members whose shares are held in the electronic mode are requested to intimate the same to their respective Depository Participants.

(13) The Company is concerned about the environment and utilises natural resources in a sustainable way. The Ministry of Corporate Affairs ('MCA'), Government of India, has by its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively; permitted companies to send official documents to their shareholders electronically as part of its Green Initiative in Corporate Governance. Recognising the spirit of the Circular issued by the MCA, we are sending documents like Notice convening the General Meetings, Financial Statements, Directors' Report, Auditors' Report, etc., to the email address provided by you with your depositories.

(14) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company. SEBI has also mandated that for registration of Transfer of securities, the Transferee(s) as well as Transferor(s) shall furnish a copy of their PAN card to the Company for registration of Transfer of securities.

(15) Annual Report for the financial year ended 31st March 2018 with Attendance Slip and Proxy forms are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purpose unless a member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report are being sent by the permitted mode.

(16) Members may note that the Notice of the 26th Annual General Meeting and the Annual Report 2018 will also be available on the Company's website www.prolecge.in. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.

Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at investor@ prolec-geindia.com.

(17) Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meeting (SS-2) of ICSI in respect of the Directors seeking reappointment at the Annual General Meeting is furnished and forms part of the Notice. The directors have furnished the requisite consents / declarations for their appointment / re-appointment.

(18) Voting through electronic means - In compliance with the provisions of Sections 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Company is pleased to provide the facility to the members to exercise their right to vote by electronic means. Instructions for e-voting are annexed separately along with this notice. For this purpose, the Company has engaged Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the Members to cast their votes electronically. The Company has appointed Mr G P Srinath of M/s G P Srinath & Associates, Practicing Company Secretaries, Chennai as Scrutinizer for conducting the e-voting process in fair and transparent manner.

(19) The requirement to place the matter relating to appointment of statutory auditors for ratification by members at every annual general meeting is omitted vide notification dated 07 May 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, resolution for ratification of the appointment of statutory auditors who were appointed for a period of five years at the 22nd Annual General Meeting held on 05 August 2015 is not proposed at this AGM.

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

Item No. 2, 3 and 5: Brief Profile of Directors

Information for re-appointment/ appointment of Directors as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standards on General Meetings (SS-2):

Name of the Director	Ricardo Suarez Garza	Anthony Vincent Benoit Allard	Ajay Kumar Sinha
DIN	07194157	07992699	07972409
Age	53	43	63
Date of appointment	27th May 2015	29th November 2017	29th November 2017
Qualification	BS Degree as a Mechanical Engineer and Administrator. Masters degree in Administration Diploma in Total Quality Control, Marketing and Synchronizations and Operation	Master degree in Business administration from Yale University (Yale School of Management) and Master of Electrical Engineering from Institute polytechnique de Grenoble	Degree in Electronic and Telecommunication Engineering from Government Engineering College, Jabalpur and M Tech in Industrial engineering from NITIE, Bombay.
Experience	31 years of experience in the field of Management in different Industries. He has performed different responsibilities within the Xignux group since the beginning of his career.	14 years of experience in Energy & Technology business in managing launching venture, managing large businesses, turning around organizations, and leading Merger & Acquisition projects. Particular expertise in developing and implementing growth strategies and managing operations	40 years of experience in the transformer industry, held senior position such as Director-Operation and Senior Vice President-Manufacturing in his previous employment in transformer industry.
No. of shares as on 31st March 2018	Nil	Nil	01
Directorship in other public Companies	Nil	Nil	Nil
Chairman/Member of Committees of Company	Chairman of Board & Stakeholder Relationship Committee and Member of Audit Committee	Member of Stakeholder Relationship Committee	Member of Stakeholder Relationship Committee

None of the Directors and Key Managerial personnel of the company and their relatives is concerned or interested, financial or otherwise, in the resolution.

Item No. 5 Appointment of Mr Ajay Kumar Sinha as Whole Time Director:

Pursuant to recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 29th November 2017 appointed Mr Ajay Kumar Sinha (DIN 07972409) as Whole-Time Director with effect from 29th November 2017. The principal terms and conditions of appointment of Mr Ajay Kumar Sinha as Whole-Time Director inter alia contain the following.

I. Subject to supervision and control of the Board of Directors of the Company, Whole Time Director shall be in charge of affairs of the Company and exercise such functions and powers as may be entrusted to him by the Board of Directors from time to time.

II. **Period of Appointment**: 5 years effective from 29th November 2017.

III. **Remuneration:**

i. Salary at the rate of Rs. 65,10,000 (Rupees Sixty Five Lakhs Ten Thousand Only) per annum which may be reviewed by the Board and Nomination & Remuneration Committee from time to time.

ii. The Whole Time Director shall be entitled to participate in provident fund, gratuity fund or such other schemes for the employees, which the company may establish from time to time.

iii. Reimbursement of medical and hospitalization expenses of the Whole Time Director and his family in accordance with the Company policy.

iv. Leave Travel Allowance for the Whole Time Director and his family in accordance with the Company policy.

v Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy.

vi. The Whole Time Director shall be entitled to such increment from time to time as the Board may by its discretion determine.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained where, in any financial year during the currency of the tenure of the Whole-Time Director, Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified above subject to Schedule V of the Companies Act, 2013.

IV. **Termination:**

The employment of the Whole-Time Director may be terminated by giving Three months' notice from either the Company or the Whole-Time Director.

V. The terms and conditions of the said appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit.

In compliance with the provisions of Sections 2(94), 2(78), 197 and 203 of the Companies Act 2013 (Act) and other applicable provisions, if any, the appointment and terms of remuneration specified above are now being placed before the Members for their approval as an ordinary resolution. Except Mr. Ajay Kumar Sinha, none of the Directors/ Key Managerial Personnel of the company/ their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at item No. 5 of the Notice.

Item No. 6: Approval of Related Party Transaction

Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), provides that for entering into Contracts/Arrangement/Transactions as prescribed in rules framed in this regard with the related party, the Company must obtain prior approval of the Board of Directors and in case such transactions are exceeding the overall limit prescribed in the rules framed in this regard, prior approval of the shareholders by way of a resolution must be obtained. Further regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 provided that all material related party transactions (i.e. transactions exceeding ten percent of annual consolidated turnover) require the approval of the Members by way of resolution.

In spite of these regulations, the term Related Party stands widened with the commencement of the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS 24) and the same made applicable to the Company effect from April 1, 2017. Entities which were not Related Party under the Companies Act, 2013 may become Related Party under the Companies (Indian Accounting Standards) Rules, 2015. Subsequently transactions with the Companies within the group of General Electric Company, Xignux and Prolec-GE become the related party transaction for Indotech.

Your company always seeks to enter into transactions with related parties in the ordinary course of business and at arm's length basis. However the aggregate of all transactions with the related parties may exceed the threshold limits stipulated in the aforesaid Regulations, the Company is under an obligation to seek the approval of its shareholders by way of Ordinary resolution. It is therefore, proposed to seek approval of such transactions which are either existing or proposed to be entered into by the Company with related parties by way of ordinary resolution.

Board of Directors and Audit Committee of the Company have approved the proposal to enter into transactions with the related parties at their respective meeting held on 16th May 2018. Since the proposal is in the best interest of the company, your directors recommends for the approval.

(The term "Related Party" referred in this context shall derive its meaning as stipulated under the Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2015

Pursuant to rule 15(3) of Companies (Meetings of Board and its Powers) Rules, 2014 the details of transactions are given below:

S . No	Name of the related party	Relationship	Nature of transaction	Maximum value of transaction to be entered during FY 2018-19
1	Prolec-GE Internacional S. de R L. de. C. V	Promoter	Re-imbursement of expenses based on the agreement entered into by and between the Company and Promoter	Rs 20 Crores
2	All General Electric group entities which are related party to the Company.	Associate(s)	• Sale, purchase or supply of any goods or materials. • Availing or rendering of any services	Rs 50 Crores
3	Any other person/ entity which is a Related Party			

None of the Directors and Key Managerial personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution.

Item No. 7: Ratification of the remuneration of Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and based on the recommendation of the Audit Committee, Board of Directors at their Meeting held on 16th May 2018 appointed Mr. M J Gopalakrishnan as Cost Auditor for the Financial year 2018-19 at a remuneration of Rs. 2,00,000/- (Rupees Two Lakhs Only) plus Goods and Service Tax at the applicable rates and reimbursement of out of pocket expenses

Rule 14 of the Companies (Audit and Auditors) Rules 2014 further stipulates that the remuneration payable to the Cost Auditor is required to be ratified by the members at their general meeting. Hence this proposed Resolution.

None of the Directors and Key Managerial personnel of the company and their relatives are concerned or interested, financial or otherwise, in the resolution

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of Sections 108, read with the Companies (Management and Administration) Rules, 2014 and Companies (Management and Administration) Amendment Rules 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to offer the option of e-Voting facility to all the members of the Company. For this purpose, the Company has engaged Central Depository Services (India) Limited (CDSL) for facilitating e-voting and appointed M/s G P Srinath & Associates, Practicing Company Secretaries, Chennai as Scrutinizer.

The procedure and instructions for e-voting are as under:

(i) Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.

(ii) Now click on "Shareholders" to cast your votes.

(iii) Now, select the "Company Name" from the drop down menu and click on "SUBMIT".

(iv) Now, fill up the following details in the appropriate boxes:

User ID	For Members holding shares in Demat Form:- a) For NSDL:- 8 Character DP ID followed by 8 digits Client ID b) For CDSL:- 16 digits beneficiary ID For Members holding shares in Physical Form:- • Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the sequence number (Sequence number has been provided as Serial number in the address label and / or in the e-mail sent to Members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository and company, please enter the Member id / folio number in the Dividend Bank details field.

(v) After entering these details appropriately, click on "SUBMIT" tab.

(vi) Members holding shares in Physical form will then reach directly to the voting screen.

(vii) Members holding shares in Demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is also to be used by the Demat holders for voting on resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.

(ix) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.

(x) For Members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in this Notice.

(xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding.

(xii) After selecting the resolutions 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.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) Institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail at: cssrinath.gp@gmail.co.in with a copy marked to:helpdesk.e-voting@cdslindia.com

(xv) In case you have any queries or issues regarding e-voting, please contact-helpdesk. e- voting@ cdslindia.com.

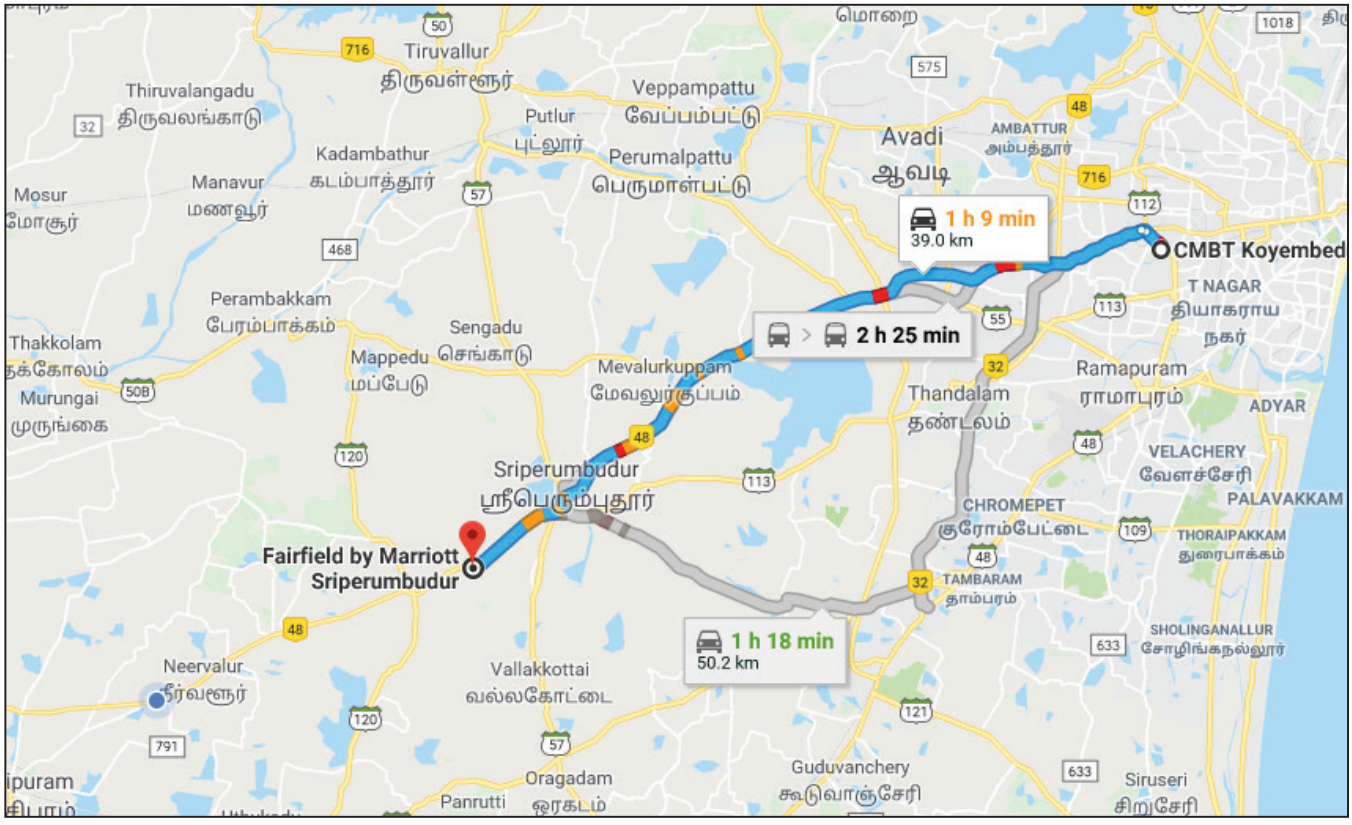
(xvi) The e-voting period commences on 11th August 2018 (9.00 am) to 13th August 2018 (5.00 pm).

(xvii) During this period members holding shares in physical or dematerialized form as on 7th August 2018 may cast their vote electronically.

ROUTE MAP TO REACH THE VENUE OF ANNUAL GENERAL MEETING

In terms of the requirements of the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, route map for the location of the venue of the 26th Annual General Meeting is given as under:

Venue : Hotel Fairfield by Marriott, FSP, Mambakkam, Sriperumbudur, Kancheepuram(Dist.), Tamilnadu



DIRECTORS' REPORT

Your Directors are pleased to present the Company's **26th Annual Report** along with the Audited Financial Statement and the Auditor's Report for the financial year ended **March 31, 2018**.

FINANCIAL RESULTS

The Ministry of Corporate Affairs vide its notification in the Official Gazette dated February 16, 2015, notified the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) applicable for the specified class of Companies.

Accordingly, Financial results for the financial year ended March 31, 2018 are in compliance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013. Consequently, previous Indian Generally Accepted Accounting Principles (IGAAP) results for the financial year ended March 31, 2017 have been restated to make them comparable.

Brief Financial Highlights with comparison of previous financial year are as follows:

(Rupees in Lakhs)

PARTICULARS	Financial Year ended March 31, 2018	Financial Year ended March 31, 2017
INCOME		
Gross Sales & Other Income	23,016	16,591
Gross Profit/(Loss) before depreciation, interest & tax	151	(308)
Depreciation	474	482
Profit/(Loss) before tax	(409)	(924)
Tax Expenses	--	221
Prior period / Extraordinary items	--	--
Balance of profit / (Loss) of earlier years	(7830)	(6,702)
Balance available for appropriation	(8239)	(7830)
APPROPRIATIONS		
General Reserve	--	--
Dividend	--	--
Tax on Dividend	--	--
Balance carried to Balance Sheet	(8239)	(7830)

OPERATIONAL PERFORMANCE

Operational performance of the Company has improved significantly with respect to Sales, Production and Quality during the financial year 2017-18. The Consolidated operations at Kancheepuram plant has contributed significantly to improve the performance through increase in production, efficient and effective utilisation of resources and reduced costs as compared to previous financial years.

The turmoil in the raw material price in the industry mainly the Copper and oil in an unpredictable manner affected the operating margin of the Company. The price pressure also continues to be immense and it is impacting the entire industry.

In spite of aforesaid challenges, year 2017-18 was indeed a positive year for INDOTECH in terms of sales volume and quality order book.

Your company designed a complete substation for wind farms with low voltage generation input and medium voltage output on an integrated platform starting from transformer to bus-duct to switch gear to double pole structure with isolator & arrestors suitably fenced for protection. It is a completely modular unit with scope of re-arrangement of sequence of components on the platform (Transformer-busduct-switchgear-doublepole structure). They are ideally suited for any project where there is a need to reduce on-site work, especially in remote areas where qualified personnel is sometimes not available and all labour is expensive and difficult to manage.

This complete substation model is well received in the market and opened up significant opportunities for the Company and filled more than 50% of the production slot of distribution plant (DT) for the ensuing financial year 2018-19

We continuously receive support from Parent Company for design optimization and to improve the production of large power transformers. Our focus currently is to improve productivity and deliver the best quality transformers. Overall, we expect further improvements by implementing our strategic plans for cost optimization and using specially developed software for transformer designs. However price pressure is immense and it is impacting the entire industry. In the challenging environment, with improved sourcing strategies and cost optimization our focus is to improve the margin in the coming years.

A detailed discussion on the performance of your company, industry structure, threats, opportunities, risks, future outlook and strategy is given separately in the Management's Discussion and Analysis section, which forms a part of this annual report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of the Company composed of six experienced directors from diverse areas, which enables the Board to provide effective leadership to the Company. Composition of the Board is in conformity with the provisions of the companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the financial year Mr. V Ranganathan (DIN: 07489345) and Mr Indraneel Dutt (DIN: 01942447) resigned from the Board and Mr. Anthony Vincent Benoit (DIN: 07992699) and Mr. Ajay Kumar Sinha (DIN: 07972409) has been inducted as an Additional Director and Whole-Time Director of the company with effect from 29th November 2017 and being eligible, offer themselves for re-appointment. Necessary resolution relating to Director who is seeking re-appointment is included in the

Notice of Annual General Meeting. The relevant details of the said Directors are given in the annexure to the Notice of the Annual General Meeting.

The Board of Directors of the Company as on date of this report is as follows:

Mr. Ricardo Suarez Garza	–	Chairman
Mr. Anthony Vincent Benoit Allard	–	Non-Executive Director
Mr. Ajay Kumar Sinha	–	Whole-Time Director
Mr. M S Srinivasan	–	Independent Director
Mr. P V Krishna	–	Independent Director
Ms. Tabassum M Wajid	–	Independent Director

The Key Managerial Personnel of the Company as on date of this report is as follows:

Mr. Ajay Kumar Sinha	–	Whole-Time Director
Mr. Abhishek Dalmia	–	Chief Financial Officer
Mr. Sathyamoorthy A	–	Company Secretary

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met five (5) times during the financial year on May 17, 2017, July 14, 2017, September 06, 2017, November 29, 2017 and February 07, 2018.

The provisions of Companies Act, 2013 and listing regulations were adhered to while considering the time gap between two meetings.

BOARD COMMITTEES

Board Committees play a vital role in improving the Board effectiveness in areas where more focus and discussions are required. Board has constituted three Committees in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and its compositions are as follows:

(i) **Audit Committee**

Mr. M. S. Srinivasan, Chairman
Mr. Ricardo Suarez Garza, Member
Mr. P. V. Krishna, Member

(ii) **Nomination and Remuneration Committee**

Mr. P. V. Krishna, Chairman
Mr. M. S. Srinivasan, Member
Ms. Tabassum M Wajid, Member

(iii) **Stakeholders' Relationship Committee**

During the year, in accordance with the Companies Act, 2013, the Board re-constituted Stakeholder Relationship Committee at their meeting held on November 29, 2017.

Mr. Ricardo Suarez Garza, Chairman
Mr. Anthony Vincent Benoit Allard, Member
Mr. Ajay Kumar Sinha, Member

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3) (c) and 134 (5) of the Act, that;

a) in the preparation of the annual financial statements for the financial year ended March 31, 2018 the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2017-18 and of the statement of Profit & Loss of the Company for the year under review;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;

d) the Directors had prepared the accounts for the financial year ended March 31, 2018 on a 'going concern basis';

e) the Directors had laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and were operating effectively;

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NOMINATION AND REMUNERATION POLICY

In terms of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 Company's policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

As a policy, the non-executive directors are paid sitting fees of Rs. 20,000/- per meeting per person for attending the Board and Audit Committee Meetings.

COMMENTS ON AUDITORS` REPORT / SECRETARIAL AUDITORS` REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by BSR & Co. LLP, Statutory Auditors, in their report and by M/s. J B Bhave & Co. Company Secretary in Practice, in their secretarial audit report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not provided any loans, guarntee or made any investments covered under section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFFERED TO IN SECTION 188(1) OF COMPANIES ACT, 2013

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended as Annexure "I".

DIVIDEND

Considering the accumulated losses, no dividend has been recommended by the Board of Directors of the Company for Financial Year 2017-18.

MATERIAL CHANGES AND COMMITMENTS

There was no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations. Further, the Independent Directors, at their exclusive meeting held during the year, reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report. Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report as Annexure IV.

CORPORATE GOVERNANCE

Your Company is committed to good corporate governance aligned with the best corporate practices. A separate Report on Corporate Governance along with Auditor's Certificate on Compliance with the conditions of Corporate Governance is provided as a part of this Annual Report, besides the Management Discussion and Analysis.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Even though the provisions relating to the Corporate Social Responsibility (CSR) are not applicable to the Company, the approach towards CSR is holistic and integrated with the core business strategy of the Company for addressing social and environmental impacts of business. The Company is committed to undertake the CSR activities to address the well-being of all stakeholders and not just the company's shareholders.

STATUTORY AUDITORS

Pursuant to Section 139 of the Companies Act,2013, M/s B S R & Co. LLP, Chartered Accountants, (ICAI Firm Registration No. 128510W/W-100022), have been appointed as Statutory Auditors for a period of five (5) years commencing from financial year 2014-15, subject to the ratification by the members at each annual general meeting. However, the Ministry of Corporate Affairs (MCA) vide its notification dated May 07, 2018 has omitted the requirement under first proviso to section 139 of the Companies Act, 2013 and rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 regarding ratification of appointment of statutory auditors by shareholders at every subsequent AGM.

Consequently, M/s B S R & Co. LLP, Chartered Accountants, continues to be the statutory auditors of the company till the conclusion of 27th AGM to be held in the calendar year 2019, as approved by shareholders on August 05, 2014.

FIXED DEPOSITS / PUBLIC DEPOSITS

Your Company has not accepted any fixed deposits or Public Deposits covered under chapter V of the Companies Act, 2013 and, as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

INTERNAL FINANCIAL CONTROLS

The Company has an adequate system of Internal Financial Controls in place with reference to the financial statements. Audit Committee periodically reviews the Internal Financial Control and Risk Assessment System of the Company. During the year, Internal Financial Controls were tested and no material weaknesses in the design or operating effectiveness were observed.

COST AUDITORS

Pursuant to section 148 and rules made there under and based on the recommendation of the Audit Committee, your Board has approved the appointment of Mr. M J Gopalakrishnan, Cost Accountant, as the Cost Auditor of the Company for the financial year 2018-19, on a remuneration as mentioned in the Notice convening the 26th Annual General Meeting for conducting the audit of the cost records maintained by the Company.

SECRETARIAL AUDITORS / SECRETARIAL AUDIT REPORT

Pursuant to provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereto,

your Company engaged the services of M/s J B Bhave & Co., Company Secretaries, Pune to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2018. The Secretarial Audit Report in Form MR-3 is given in Annexure – II, forming part of this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of conduct. The mechanism provides for adequate safeguards against victimization of Director(s) and Employee(s) who avail of the mechanism

The Whistle Blower Policy is explained in corporate governance report and also posted on the notice board and the website of the Company at www.prolecge.in

RISK MANAGEMENT FRAMEWORK

The Company has formulated a Risk Management policy to identify, assess, monitor and mitigate various risks to the Company. Identified risks and the mitigation plans are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

EXTRACT OF ANNUAL RETURN

As per provisions of Section 92 (3) of the Companies Act, 2013 (the Act) read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the extract of the Annual Return in the Form MGT-9 is given in Annexure – III, forming part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information as prescribed under Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is as follows:

A. **CONSERVATION OF ENERGY**

Your Company has constantly been emphasising on optimisation of energy consumption in every possible area. Further, your company acknowledges that power conservation is a necessity not only for future availability, but also for environmental safety. Various avenues are being explored at periodic intervals and after careful analysis and planning measures are being initiated to minimise the consumption of energy by optimum utilisation of energy consuming equipment. Your Company is not a power intensive industry and hence the scope for conservation of energy is limited. However the following energy saving measures has been carried out.

a) Your Company has 2 wind mills in Tirunelveli, Tamil Nadu. The Company is adjusting the units generated against consumption at factory. This has reduced per unit energy cost to the Company. Further your Company is exploring the option of sourcing power from renewable private power producers. This will further reduce the per unit energy cost to the Company.

b) Your company has in place adequate safeguards against excessive consumption and wastage of energy, in the form of energy-friendly apparatus, modern technologies as well as minimal usage mechanism.

During the year your Company took several measures for reducing the power and fuel cost including DG utilization and was able to reduce the power and fuel cost significantly.

B. TECHNOLOGY ABSORPTION

Research & Development:

(i) **Skid mounted substations**

Your Company is more focused towards the promotion of innovative ideas and has invested in sufficient resources for research and development. Skid mounted substations were developed for wind mills in the previous year which were provided with transformer integrated with HV side protection gear complete with breaker and panel. The complete unit comprised of transformer, HV bushings to breaker panel bus-duct, HV breaker & panel, LV side cable box connections. All components were designed to be assembled on single skid and transported to customer premises as a single unit. The entire assembly was reinforced at critical points to bear transportation loads. The Skid mounted substations can be commissioned within a day at site. The transformer is sent with radiator/conservator mounted and completely oil filled to avoid any mounting and oil filtration at site.

This complete substation model is well received in the market and opened up significant opportunities for the Company and filled more than 50% of the production slot of distribution plant(DT) for the ensuing financial year 2018-19.

(ii) **Ester Oil Transformers**

During the financial year your company successfully designed, tested and supplied the Ester oil based transformer. The Ester Oil Transformers has significant advantages, in terms of both performance and life cycle cost, over traditional mineral oil fluids. Further Ester Oil Transformers has high fire resistance capacity, this is a cost effective substitute for CRT and dry type Transformers. Transformer performance is greatly improved by the use of ester products

compared to mineral oils. The rate at which cellulose paper ages is slowed, thereby extending transformer life and improving service reliability. Analysis of life-cycle costs show that there are significant cost savings because of this asset life extension. This will open up a new market to the Company in a sustainable way.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the financial year under review, the foreign exchange earnings of the Company was Rs. 1,064.74 lakhs and outgo was Rs. 12.27 lakhs

SUBSIDIARY COMPANIES

As at 31st March 2018 there is no subsidiary company.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee ("ICC") has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy.

During the financial year 2017-18, there were no cases reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS

Your Directors express their appreciation of the continued cooperation of Governments and Government agencies, bankers, customers, suppliers and also the valuable assistance and guidance received from Xignux, Prolec GE and all the shareholders. Your Directors also wish to thank all employees for their contribution, support and continued cooperation during the financial year and are deeply grateful to the shareholders of the Company for the confidence and faith.

For and on behalf of the Board of Directors
INDO-TECH TRANSFORMERS LIMITED

Ricardo Suarez Garza
Chairman
DIN: 07194157

Ajay Kumar Sinha
Whole-Time Director
DIN: 07972409

Place : Chennai
Date : May 16, 2018

FINANCIAL HIGHLIGHTS

(Rupees in Lakhs)

FINANCIAL HIGHLIGHTS	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Gross Sales & Other Income	23,016	16,577	22,318	18,671	11,400	12,495	12,596	12,416	11,020
Net Sales & Other Income	22,472	15,046	20,263	17,366	10,430	11,554	11,572	11,428	10,249
Earnings before Depreciation, Interest and Tax (EBDIT)	151	-308	937	632	-529	-3,857	-3,218	-1,861	-533
Depreciation	474	482	535	518	299	504	412	380	387
Profit After Tax	-409	-1145	402	-374	-1,880	-5,018	-3,998	-2,274	-839
Equity Dividend %	--	--	--	--	--	--	--	--	--
Dividend Payout	--	--	--	--	--	--	--	--	--
Equity Share Capital	1,062	1,062	1,062	1,062	1,062	1,062	1,062	1,062	1,062
Reserves and Surplus	12,348	12,757	14,425	14,023	-450	1,430	6,447	10,446	12,735
Net Worth	13,410	13,819	15,487	15,085	612	2,492	7,509	11,508	13,797
Gross Fixed Assets	5987	5909	10,106	10,003	9,888	9,902	9,822	9,945	9,381
Net Fixed Assets	5,034	5,429	6,215	6,635	7,047	7,309	7,667	8,130	7,940
Total Assets	20,868	20,052	21,269	20,659	18,270	17,684	17,599	15,923	14,885

KEY INDICATORS	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Earnings per Share - Rs.	(3.49)	10.62	3.79	-3.52	-17.7	-47.25	-37.65	-21.42	-7.9
urnover per share - Rs.	216.72	154.54	210.16	175.82	107.35	117.65	118.71	116.91	103.79
Book value per share - Rs.	126.27	130.12	145.83	142.04	5.76	23.46	70.72	108.36	129.92
Debt : Equity Ratio	--	0.93:1	1.15:1	1.15:1	20.62:1	3.27:1	0.71:1	0.09:1	0.07:1
EBDIT / Gross Turnover %	0.7%	-2%	4%	3%	-5%	-32%	-26%	-15%	-5%
Net Profit Margin %	-2%	-7%	2%	-2%	-19%	-42%	-32%	-18%	-8%
RONW %	-3%	-8%	3%	-61%	-75%	-67%	-35%	-16%	-6%
ROCE %	-3%	-8%	3%	1%	-57%	-64%	-33%	-15%	-6%

Annexure - I

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis : Nil
2. Details of material contracts or arrangement or transactions at arm's length basis:

The Contracts or arrangements or transactions entered with the related parties during the financial year 2017-18 were not material and the same is disclosed in the notes to accounts forming part of the financial statements for the year ended March 31, 2018.

For and on behalf of the Board of Directors
INDO-TECH TRANSFORMERS LIMITED

	Ricardo Suarez Garza	**Ajay Kumar Sinha**
Place : Chennai	Chairman	Whole-Time Director
Date : May 16, 2018	DIN: 07194157	DIN: 07972409

Annexure - II

FORM NO. MR-3 - SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members
M/S. INDO-TECH TRANSFORMERS LIMITED
Survey No. 153-210, Illuppapattu Village
Near Rajakulam, Kancheepuram (Dist)
Kancheepuram - 631561
Tamil Nadu

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indo-Tech Transformers Limited. (Hereinafter called "the Company").

Secretarial Audit was conducted for the period from 1st April 2017 to 31st March 2018, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and expressing my opinion thereon. I have been engaged as Secretarial Auditors of the Company to conduct the Audit of the Company to examine the compliance of Companies Act, SEBI Regulations and the other laws listed below.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2018 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of the following list of laws and regulations:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities And Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014;[Not applicable during the Audit Period]

  (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not applicable during the Audit Period]

  (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not applicable during the Audit Period]

  (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Not applicable during the Audit Period]

(vi) OTHER APPLICABLE LAWS:

  (a) Factories Act, 1948

  (b) Payment of Wages Act, 1936,

  (c) The Minimum Wages Act, 1948,

  (d) Employees' State Insurance Act, 1948,

  (e) Provident Fund Act 1952 & Employees Pension Scheme 1995,

  (f) The Payment of Bonus Act, 1965,

  (g) Payment of Gratuity Act, 1972,

  (h) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention &

Control of Pollution) Rules, 1975,

(i) Tami Nadu (Professional Tax) Act,

(j) Prevention of Child Labour Act,

(k) Industries (Development & Regulations) Act 1971.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

There are no significant observations/ matters required to be reported during the Audit period.

FOR J B BHAVE & Co.
COMPANY SECRETARIES

JAYAVANT BHAVE
PROPRIETOR

Place: Pune
Date : May 16, 2018

FCS No. 4266
CP No. 3068

Annexure - III

EXTRACT OF ANNUAL RETURN
FORM NO. MGT 9
As on financial year ended on March 31, 2018
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L29113TN1992PLC022011
2	Registration Date	16/01/1992
3	Name of the Company	INDO-TECH TRANSFORMERS LIMITED
4	Category/Sub-category of the Company	Company limited by Shares
		Non-govt company
5	Address of the Registered office & contact details	Survey No. 153-210, Illuppapattu Village Near Rajakulam, Kancheepuram (Dist.) Tamilnadu -631561 INDIA
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PRIVATE LIMITED C 101, 247 Park,L.B.S.Marg, Vikhroli (West), Mumbai - 400083. PH:022 - 4918 6270

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Manufacture of transformers	271	100.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Prolec GE Internacional,S. De R.L.DE.C.V		Holding	74.35%	2(46)

IV. SHARE HOLDING PATTERN

(i) Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - April 01, 2017				Shareholding at the end of the year - March 31, 2018				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Shareholding of Promoter and Promoter Group**									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	-	-	-	-	-	-	-	-	-
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(d)	Any Other (Specify)									
	Sub Total (A)(1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)									

Sr No	Category of Shareholders	Shareholding at the beginning of the year - April 01, 2017				Shareholding at the end of the year - March 31, 2018				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Bodies Corporate	7895625	-	7895625	74.3468	7895625	-	7895625	74.3468	-
	Sub Total (A)(2)	7895625	-	7895625	74.3468	7895625	-	7895625	74.3468	-
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**7895625**	**-**	**7895625**	**74.3468**	**7895625**	**-**	**7895625**	**74.3468**	**-**
(B)	**Public Shareholding**									
[1]	Institutions									
(a)	Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions / Banks	11861	-	11861	0.1117	8135	-	8135	0.0766	-0.0351
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
(i)	Any Other (Specify)									
	Sub Total (B)(1)	11861	-	11861	0.1117	8135	-	8135	0.0766	-0.0351
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	-	-	-	-	-	-	-	-	-
[3]	Non-Institutions	-	-							
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	1536293	3252	1539545	14.4967	1658011	3252	1661263	15.6428	1.1461
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	343630	-	343630	3.2357	266419	-	266419	2.5087	-0.7270
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories(holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)									
	Hindu Undivided Family	212101	-	212101	1.9972	239941	-	239941	2.2593	0.2621
	Non Resident Indians (Non Repat)	9499	-	9499	0.0894	9056	-	9056	0.0853	-0.0041
	Non Resident Indians (Repat)	30831	-	30831	0.2903	31906	-	31906	0.3004	0.0101
	Clearing Member	59596	-	59596	0.5612	30189	-	30189	0.2843	-0.2769
	Bodies Corporate	517312	-	517312	4.8711	477466	-	477466	4.4959	-0.3752
	Sub Total (B)(3)	2709262	3252	2712514	25.5416	2712988	3252	2716240	25.5766	0.0350
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	2721123	3252	2724375	25.6532	2721123	3252	2724375	25.6532	-
	Total (A)+(B)	**10616748**	**3252**	**10620000**	**100.0000**	**10616748**	**3252**	**10620000**	**100.0000**	**-**
(C)	**Non Promoter - Non Public**									
[1]	Custodian/DR Holder	-	-	-	-	-	-	-	-	-
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	**10616748**	**3252**	**10620000**	**100.0000**	**10616748**	**3252**	**10620000**	**100.0000**	-

(ii) Shareholding of Promotors

Sr No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		NO. OF SHARES HELD	% of total Shares of the company	%of Shares Pledged /encumbered to total shares	NO. OF SHARES HELD	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	% change in shareholding during the year
1	Prolecge Internacional, S.DE R.L. DE C.V.	7895625	74.3468	-	-	74.3468	-	-
	Total	7895625	74.3468	-	-	74.3468	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year		7,895,625	74.35%	7,895,625	74.35%
	Changes during the year		NIL	0.00%	NIL	0.00%
	At the end of the year		7,895,625	74.35%	7,895,625	74.35%

* No changes during the year

(IV) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promotors and Holders of GDRs and ADRs)

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - April 01, 2017		Transactions during the year		Cumulative Shareholding at the end of the year - March 31, 2018	
		NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	Ohm Stock Broker Private Limited	95000	0.8945	-	-	95000	0.8945
	At the end of the year			-	-	95000	0.8945
2	Kantilal M. Vardhan (H.U.F.)	63853	0.6013	-	-	63853	0.6013
	At the end of the year			-	-	63853	0.6013
3	Universal Cine Trades	57500	0.5414	-	-	57500	0.5414
	At the end of the year			-	-	56500	0.5320
4	Manish Patil	33103	0.3117	-	-	33103	0.3117
	Transfer	-	-	22 Sep 2017	(500)	32603	0.3070
	Transfer	-	-	24 Nov 2017	(205)	32398	0.3051
	Transfer	-	-	01 Dec 2017	(500)	31898	0.3004
	Transfer	-	-	29 Dec 2017	(500)	31398	0.2956
	Transfer	-	-	16 Feb 2018	(21698)	9700	0.0913
	At the end of the year	-	-		-	31898	0.3004
5	IL and FS Securities Services Limited	40331	0.3798		-	40331	0.3798
	Transfer	-	-	07 Apr 2017	1603	41934	0.3949
	Transfer	-	-	14 Apr 2017	(7564)	34370	0.3236
	Transfer	-	-	21 Apr 2017	820	35190	0.3314
	Transfer	-	-	05 May 2017	(2100)	33090	0.3116
	Transfer	-	-	12 May 2017	(874)	32216	0.3034
	Transfer	-	-	19 May 2017	(39)	32177	0.3030
	Transfer	-	-	26 May 2017	(2492)	29685	0.2795
	Transfer	-	-	09 Jun 2017	(29)	29656	0.2792
	Transfer	-	-	23 Jun 2017	1241	30897	0.2909
	Transfer	-	-	30 Jun 2017	220	31117	0.2930

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - April 01, 2017		Transactions during the year		Cumulative Shareholding at the end of the year - March 31, 2018	
		NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer	-	-	14 Jul 2017	13	31130	0.2931
	Transfer	-	-	28 Jul 2017	(1400)	29730	0.2799
	Transfer	-	-	04 Aug 2017	(1000)	28730	0.2705
	Transfer	-	-	11 Aug 2017	3025	31755	0.2990
	Transfer	-	-	18 Aug 2017	1400	33155	0.3122
	Transfer	-	-	08 Sep 2017	(2005)	31150	0.2933
	Transfer	-	-	22 Sep 2017	(3340)	27810	0.2619
	Transfer	-	-	29 Sep 2017	(1666)	26144	0.2462
	Transfer	-	-	06 Oct 2017	(150)	25994	0.2448
	Transfer	-	-	13 Oct 2017	255	26249	0.2472
	Transfer	-	-	27 Oct 2017	3545	29794	0.2805
	Transfer	-	-	10 Nov 2017	(689)	29105	0.2741
	Transfer	-	-	17 Nov 2017	(80)	29025	0.2733
	Transfer	-	-	01 Dec 2017	(1150)	27875	0.2625
	Transfer	-	-	08 Dec 2017	209	28084	0.2644
	Transfer	-	-	15 Dec 2017	(3529)	24555	0.2312
	Transfer	-	-	22 Dec 2017	(5836)	18719	0.1763
	Transfer	-	-	29 Dec 2017	(360)	18359	0.1729
	Transfer	-	-	30 Dec 2017	(1240)	17119	0.1612
	Transfer	-	-	05 Jan 2018	5950	23069	0.2172
	Transfer	-	-	12 Jan 2018	(10)	23059	0.2171
	Transfer	-	-	19 Jan 2018	2160	25219	0.2375
	Transfer	-	-	02 Feb 2018	455	25674	0.2418
	Transfer	-	-	09 Feb 2018	(1355)	24319	0.2290
	At the end of the year	-	-			31645	0.2980
6	Patel Ushaben Parshottambhai	39112	0.3683			39112	0.3683
	Transfer	-	-	05 May 2017	200	39312	0.3702
	Transfer	-	-	09 Jun 2017	(200)	39112	0.3683
	Transfer	-	-	15 Sep 2017	(6000)	33112	0.3118
	Transfer	-	-	29 Sep 2017	(3500)	29612	0.2788
	Transfer	-	-	13 Oct 2017	500	30112	0.2835
	At the end of the year	-	-			30112	0.2835
7	Rakhecha Securities Ltd.	17721	0.1669			17721	0.1669
	Transfer	-	-	07 Apr 2017	(1000)	16721	0.1574
	Transfer	-	-	14 Apr 2017	(2000)	14721	0.1386
	Transfer	-	-	21 Apr 2017	(2000)	12721	0.1198
	Transfer	-	-	05 May 2017	11414	24135	0.2273
	Transfer	-	-	12 May 2017	2000	26135	0.2461
	Transfer	-	-	19 May 2017	(3635)	22500	0.2119
	Transfer	-	-	30 Jun 2017	1187	23687	0.2230
	Transfer	-	-	07 Jul 2017	2000	25687	0.2419
	Transfer	-	-	14 Jul 2017	(1058)	24629	0.2319
	Transfer	-	-	28 Jul 2017	(10329)	14300	0.1347
	Transfer	-	-	11 Aug 2017	1434	15734	0.1482
	Transfer	-	-	18 Aug 2017	985	16719	0.1574
	Transfer	-	-	08 Sep 2017	(2000)	14719	0.1386
	Transfer	-	-	22 Sep 2017	(9719)	5000	0.0471

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - April 01, 2017		Transactions during the year		Cumulative Shareholding at the end of the year - March 31, 2018	
		NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer	-	-	03 Nov 2017	5000	10000	0.0942
	Transfer	-	-	10 Nov 2017	15273	25273	0.2380
	Transfer	-	-	17 Nov 2017	(273)	25000	0.2354
	Transfer	-	-	24 Nov 2017	2000	27000	0.2542
	Transfer	-	-	05 Jan 2018	(10000)	17000	0.1601
	Transfer	-	-	26 Jan 2018	1267	18267	0.1720
	Transfer	-	-	09 Feb 2018	8035	26302	0.2477
	At the end of the year	-	-	-	-	26339	0.2480
8	Kantilal Mishrimalji Vardhan	24264	0.2285	-	-	24264	0.2285
	At the end of the year			-	-	24264	0.2285
9	Rupen Mayurbhai Mody	22502	0.2119	-	-	22502	0.2119
	At the end of the year			-	-	22502	0.2119
10	Sanjeev Mishra	20000	0.1883	-	-	20000	0.1883
	Transfer	-	-	08 Sep 2017	2000	22000	0.2072
	Transfer	-	-	22 Sep 2017	(2000)	20000	0.1883
	Transfer	-	-	13 Oct 2017	2000	22000	0.2072
	Transfer	-	-	27 Oct 2017	(41)	21959	0.2068
	Transfer	-	-	22 Dec 2017	41	22000	0.2072
	At the end of the year	-	-	-	-	22000	0.2072
11	Aadishu Securities Private Ltd	25652	0.2415	-	-	25652	0.2415
	Transfer	-	-	28 Jul 2017	(10652)	15000	0.1412
	Transfer	-	-	15 Sep 2017	10652	25652	0.2415
	Transfer	-	-	06 Oct 2017	(10652)	15000	0.1412
	Transfer	-	-	15 Dec 2017	10652	25652	0.2415
	Transfer	-	-	16 Feb 2018	(10652)	15000	0.1412
	At the end of the year	-	-	-	-	15000	0.1412
12	BMA Wealth Creators Ltd.	30047	0.2829	-	-	30047	0.2829
	Transfer	-	-	07 Apr 2017	474	30521	0.2874
	Transfer	-	-	14 Apr 2017	(2132)	28389	0.2673
	Transfer	-	-	21 Apr 2017	450	28839	0.2716
	Transfer	-	-	28 Apr 2017	100	28939	0.2725
	Transfer	-	-	12 May 2017	(210)	28729	0.2705
	Transfer	-	-	19 May 2017	(40)	28689	0.2701
	Transfer	-	-	26 May 2017	(300)	28389	0.2673
	Transfer	-	-	30 Jun 2017	1671	30060	0.2831
	Transfer	-	-	14 Jul 2017	5	30065	0.2831
	Transfer	-	-	28 Jul 2017	(6)	30059	0.2830
	Transfer	-	-	04 Aug 2017	(400)	29659	0.2793
	Transfer	-	-	11 Aug 2017	(3100)	26559	0.2501
	Transfer	-	-	25 Aug 2017	6115	32674	0.3077
	Transfer	-	-	15 Sep 2017	(50)	32624	0.3072
	Transfer	-	-	22 Sep 2017	310	32934	0.3101
	Transfer	-	-	29 Sep 2017	2387	35321	0.3326
	Transfer	-	-	06 Oct 2017	500	35821	0.3373
	Transfer	-	-	13 Oct 2017	500	36321	0.3420
	Transfer	-	-	10 Nov 2017	(19903)	16418	0.1546
	Transfer	-	-	24 Nov 2017	12	16430	0.1547

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - April 01, 2017		Transactions during the year		Cumulative Shareholding at the end of the year - March 31, 2018	
		NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer	-	-	01 Dec 2017	1910	18340	0.1727
	Transfer	-	-	08 Dec 2017	(15300)	3040	0.0286
	Transfer	-	-	15 Dec 2017	(3000)	40	0.0004
	Transfer	-	-	30 Dec 2017	15	55	0.0005
	Transfer	-	-	05 Jan 2018	(15)	40	0.0004
	At the end of the year	-	-			40	0.0004
13	Chetan Jayantilal Shah	50000	0.4708			50000	0.4708
	Transfer	-	-	30 Jun 2017	(50000)	0	0.0000
	At the end of the year	-	-			0	0.0000

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 10620000 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v)	Shareholding of Directors and Key Managerial Personnel:				
SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. Ajay Kumar Sinha*, Whole Time Director				
	At the beginning of the year	1	0.00%	1	0.00%
	Changes during the year	-		-	
	At the end of the year	1	0.00%	1	0.00%

* Mr. Ajay Kumar Sinha has been appointed as Whole Time Director with effect from 29th November 2017.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Amt. Rs./Lacs)

	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year	-	-	-	-
i)	Principal Amount	-	-	-	-
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	-	-	-	-
	Change in Indebtedness during the financial year	-	-	-	-
	* Addition	-	-	-	-
	* Reduction	-	-	-	-
	Net Change	-	-	-	-
	Indebtedness at the end of the financial year	-	-	-	-
	i) Principal Amount	-	-	-	-
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A.	Remuneration to Managing Director, Whole-time Directors and/or Manager:		
SN.	**Particulars of Remuneration**	**NIL**	**Total Amount**
1	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	-	-

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total
1	**Independent Directors**	**M S Srinivasan**	**P V Krishna**	**Tabassum M Wajid**	
	Fee for attending board / committee meetings	160,000	160,000	100,000	420,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	160,000	160,000	100,000	420,000
2	**Other Non-Executive Directors**	**Ricardo Garza Suarez**	**Anthony Vincent Benoit Allard**		**Total**
	Fee for attending board / committee meetings	-	-		-
	Commission	-	-		-
	Others, please specify	-	-		-
	Total (2)	**-**	**-**		**-**
	Total (B)=(1+2)	**160,000**	**160,000**	**100,000**	**420,000**
	Total Managerial Remuneration	**160,000**	**160,000**	**100,000**	**420,000**
	Overall Ceiling as per the Act	It is in accordance with the provisions of the Companies Act 2013			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			
	Name	Ajay Kumar Sinha*	Abhishek Dalmia	Sathyamoorthy	Total
	Designation	WTD / CEO	CFO	CS	
1	Gross salary	6,448,340	2,724,708	1,226,477	10,399,525
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	**6,448,340**	**2,724,708**	**1,226,477**	**10,399,525**

* Mr Ajay Kumar Sinha, Chief Executive Officer appointed as Whole Time Director with effect from 29th November 2017

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

NIL

For and on behalf of the Board of Directors
INDO-TECH TRANSFORMERS LIMITED

Ricardo Suarez Garza
Chairman
DIN: 07194157

Ajay Kumar Sinha
Whole-Time Director
DIN: 07972409

Place : Chennai
Date : May 16, 2018

Annexure IV – Particulars of Employees

a) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Remuneration paid to Whole Time Director(s):

Name of the Director	Title	Remuneration in FY 2017-18	% increase in FY 2017-18 as Compared to FY 2016-17	Ratio of remuneration to Median Remuneration of Employees	Ratio of remuneration to Revenues	Ratio of remuneration to Net Profit
NA	NA	NA	NA	NA	NA	NA

Remuneration paid to Independent Directors:

Name of the Director	Remuneration in FY 2017-18* (in Rs.)	Remuneration in FY 2016-17* (in Rs.)	% increase of remuneration (FY 2017-18 over FY 2016-17)
M S Srinivasan	1,60,000	1,60,000	NIL
P V Krishna	1,60,000	1,60,000	NIL
Tabassum M Wajid	1,00,000	60,000	NIL

* The Independent Directors were paid sitting fees of Rs, 20,000 for attending per meeting of Board and Audit Committee and no other remuneration was paid over and above the sitting fees during FY 2017-18 & FY 2016-17.

Remuneration paid to Key Managerial Personnel (KMP):

Name of the KMP	Title	Remuneration in FY 2017-18	Remuneration in FY 2016-17	% increase of remuneration in FY 2017-18	Ratio of remuneration to Revenues	Ratio of remuneration to Net Profit
Ajay Kumar Sinha	CEO/WTD	64,48,340	60,90,000	4.45	0.0028	NA
Abhishek Dalmia**	CFO	27,24,708	21,78,161	6.00	0.0012	NA
Sathyamoorthy A	CS	12,26,477	9,59,891	25.00	0.0005	NA

** appointed as "CFO" with effect from 25th May, 2016

1. The number of employees on the rolls of the Company as of March 31, 2018 was 299 and as on March 31, 2017 were 294.
2. The median remuneration of employees was Rs. 2,29,040 for FY 2017-18 and Rs. 2,22,096 for FY 2016-17.
3. The operating revenue for FY 2017-18 is Rs. 22,561 lakhs, whereas for FY 2016-17 stood at Rs. 16,412 lakhs (including excise duty). The net loss for the FY 2017-18 is Rs. 409 lakhs whereas the net loss for the FY 2016-17 was Rs. 1,145 lakhs.
4. The aggregate remuneration of employees for the FY 2017-18 is Rs. 18.35 Crores and for FY 2016-17 was Rs. 16.98 Crores. The aggregate remuneration of whole time director and key managerial personnel for the FY 2017-18 is Rs. 103.99 Lakhs and for the FY 2016-17 was Rs. 92.28 Lakhs.
5. The key parameters of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

b) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(i) Employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rupees One crore and Two lakhs :

Nil

(ii) Top Ten Employees in terms of Remuneration drawn during the financial year 2017-18 :

S.No	Name	Current Designation	Remuneration in Rs. (Annual CTC)	Qualification	Experience (No. of Years)	Date of commencement of employment with the Company	Age (Yrs)	Last employment held by such employee before joining the company	Percentage of Equity Shares held #
1	Ajay Kumar Sinha	Whole Time Director	64,48,340	B.E, M.Tech	40	May 27, 2015	63	Director-Operation and Senior Vice President- Prime Meiden Ltd	0.00
2	Shridhar Gokhale	Head-Operation	63,13,341	M.E (Electrical)	27	June 11, 2013	48	CG Power Systems Indonesia-Chief Operations Officer	0.003
3	Neeraj Goyal	Head-Design	53,03,700	M.E (Electrical), PGDFA-ICFAI	28	July 26, 2010	48	Head Design & Technology - Crompton Greaves	Nil
4	R Dayanand	Head- Supply Chain	29,17,167	B.E (Mech) DPM	26	July 1, 1996	48	Production Executive - Crompton Greaves	Nil
5	Abhishek Dalmia	Chief Financial Officer (CFO)	29,12,004	B.Com, ACA, ACMA	18	May 23, 2016	40	Infosys Limited - Senior Manager (Corporate Finance)	Nil
6	Tushar Kanti Giri	Senior Manager-Quality	25,50,000	B.E(Mech)	16	January 2, 2017	37	Manager Operation-ECOTRAFO MALAYSIA SDN BHD - Malaysia	Nil
7	Alok Tripathi	Head-Service	22,36,637	B Tech (Mech)	36	April 8, 2013	56	Manager Services-Schneider electric	Nil
8	Nitin Shukla	Senior Manager-Design	22,30,000	B.E (Electrical)	25	August 12, 2015	50	Senior Manager Design - Schneider Electric	Nil
9	Fredrick Castro	Head-HR	21,00,000	M.A, BL, PGDBA	33	November 21, 2012	57	Deputy general Manager - HR & IR - Shasun Pharmaceuticals Ltd	Nil
10	Jeya Baskaran Jude	Senior Manager-Operation	18,80,000	B.E (EEE)	18	February 25, 2010	39	Deputy manager - Asta India Pvt Ltd	Nil

(iii) Employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rupees Eight lakhs Fifty thousand only per month :

Nil

(iv) Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company :

Nil

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to good Corporate Governance. The Company provides information on various issues concerning the Company's business and financial performance to its shareholders. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stakeholders. The Company is committed to enhance and maximize shareholder value and protect the interest of other stakeholders. It encompasses effective management through integrity, transparency, accountability and responsibility towards stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is given below:

GOVERNANCE STRUCTURE

Governance structure comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This brings about an effective environment for value creation.

BOARD OF DIRECTORS

The Board of Directors has the primary responsibility to oversee the operations of the Company. The Board consists of Six Directors viz., three Independent and three Non-Independent, out of which, one Independent Director is a woman Director. The Chairman of the Board is a Non-Executive and Non-Independent Director. The composition of Board is as follows:

Director	Category(1)	DIN	DOA	Committee memberships (excluding in the Company)		Directorship(s) held in Indian Public Limited Companies	No of shares held in the Company	
Mr. Ricardo Suarez Garza	C & NED	07194157	27/05/15	--	--	--	--	--
Mr. M S Srinivasan	NED (I)	00261201	01/08/09	1	--	2	--	--
Mr. P V Krishna	NED (I)	0245987	27/05/15	--	--	--	--	--
Mr. Indraneel Dutt^	NE	01942447	05/08/14	--	--	--	--	--
Ms Tabassum M Wajid	NED (I)	06904452	25/03/15	--	--	--	--	--
Mr. Ranganathan V*	NE	07489345	12/04/16	--	--	--	--	--
Mr Ajay Kumar Sinha$	WTD	07972409	29/11/17	--	--	--	--	--
Mr Anthony Vincent Benoit Allard $	NE	07992699	29/11/17	--	--	--	--	--

(1) Category: C-Chairman, NED – Non-executive Director, WTD- Whole-Time Director, NED (I) – Non-executive Director and Independent.

^ Mr Indraneel Dutt, Director resigned with effect from November 29, 2017
'* Mr Ranganathan V, Director resigned with effect from September 06, 2017
$ Mr Ajay Kumar Sinha and Mr Anthony Vincent Benoit Allard appointed as directors with effect from November 29, 2017.

The Directorships held by Directors as mentioned above, do not include Alternate Directorships, Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all companies in which they are Directors.

MEETINGS OF BOARD OF DIRECTORS

Frequency: The Board meets once in a quarter to review the quarterly results and other items of the Agenda. Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, decisions will be taken on the basis of resolutions passed by circulation and the same will be confirmed in the next Board / Committee Meeting.

Meetings Calendar: The probable dates of the Board / Committee Meetings for the forthcoming year are decided well in advance in order to facilitate and assist the Directors to plan their schedules for the Meetings. The indicative annual calendar of the Meetings forms part of this Report.

Board Meeting Location: The location of the Board / Committee Meetings is informed well in advance to all the Directors. Each Director is expected to attend the Board /Committee Meetings.

Notice and Agendas distributed in advance: The Company's Board / Committees are presented with detailed notes, along with the agenda papers, well in advance of the Meeting. The Agendas for the Board / Committee Meetings are set by the Company Secretary in consultation with the Chairman of the Board / Committees. All material information is incorporated in the Agenda for facilitating meaningful and focused discussions at the Meeting. Where it is not practical to attach any document to the Agenda, the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary items on the Agenda are permitted. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the Management.

Presentations by Management: The Board / Committee is given presentations, wherever practicable covering finance, sales, order book, major business segments and operations of the Company, including business opportunities, business strategy, risk management practices and operating performance of the Company before taking on record the financial results of the Company.

Minutes of the Meetings: The draft Minutes of the proceedings of the Meetings are circulated amongst the Directors/Members of the Board / Committees within fifteen days from the conclusion of the Meeting. Comments and suggestions, if any, received from the Directors/Members are incorporated in the Minutes, in consultation with the Chairman. The Minutes are confirmed by the Directors/Members and signed by the Chairman at the next Board / Committee Meetings. All Minutes of the Committee Meetings are placed before the Board Meeting for perusal and noting.

The Board of Directors met five (5) times during the financial year on May 17, 2017, July 14, 2017, September 06, 2017, November 29, 2017 and February 07, 2018.

Name	Attendance on Meetings held on					AGM
	17 May 2017	14 July 2017	06 Sep 2017	29 Nov 2017	07 Feb 2018	06 Sep 2017
Mr. Ricardo Suarez Garza	✓	LoA	✓	LoA	✓	✓
Mr. M S Srinivasan	✓	LoA	✓	✓	✓	✓
Mr. P V Krishna	✓	LoA	✓	✓	✓	✓
Mr. Indraneel Dutt	✓	✓		LoA	NA	✓
Mr. Tabassum M Wajid	✓	✓		✓	✓	✓
Mr. Ranganathan V	LoA	LoA	LoA	NA	NA	NA
Mr Ajay Kumar Sinha	NA	NA	NA	✓	✓	NA
Mr Anthony Allard	NA	NA	NA	✓	✓	NA

(✓- Attended, LoA – Leave of Absence, NA-Not Applicable)

INDEPENDENT DIRECTORS

To ensure highest standards of integrity, corporate credibility, transparent governance and also to uphold the interests of Stakeholders, Company has conferred significant powers and responsibilities to three directors who are independent from the Management. The Independent Directors of the Company satisfies the requirements laid down under section 149(6) of the Companies Act 2013 and Regulation 16(1) (b) of the Listing Regulations. In compliance with section 149 (7) of the Companies Act 2013, Company has received a declaration from each of the Independent Directors confirming compliance with the criteria of independence as laid down under Listing Regulations and Section 149(6) of the Companies Act 2013.

The following Non-Executive Directors are considered as Independent Directors:-

Mr. M S Srinivasan	– Independent Director
Mr. P V Krishna	– Independent Director
Ms. Tabassum M Wajid	– Independent Director

Meetings of the Independent Directors: A separate meeting of Independent Directors was held during the year without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting.

Familiarization Programme: The Familiarization Program is aimed to provide insights into the Company to enable the Independent Directors to understand the Company's business in depth that would facilitate their active participation in managing the Company and to update the independent directors on a continuing basis on any significant changes therein so as to be in a position to take well-informed and timely decision. Company has adopted Familiarization policy and the same is available on the Company's website. Web link: http://www.prolecge.in/corporate%20governance.html

BRIEF RESUME OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT:

A brief resume of Director seeking appointment / re-appointment at the Twenty Sixth Annual General Meeting is given as part of the Notice to the Annual General Meeting.

DISCLOSURE OF DIRECTORS AND OTHERS INTEREST IN TRANSACTIONS WITH THE COMPANY

None of the Directors, Key Managerial Personnels and Senior Management, whether, directly, indirectly or on behalf of third parties, have had any material interest in any transaction or matter directly affecting the Company pursuant to the provisions of Regulation 4(2)(f)of the Listing Regulations.

None of the Directors of the Company are related to each other.

COMMITTEE OF DIRECTORS

The Board has constituted Audit Committee, Stakeholder Relationship Committee and Nomination and Remuneration Committee to primarily focus and deal on the issues in the respective areas effectively and to use director's time more efficiently.

The functioning of all the Committees of the Board of Directors is guided by well-laid down terms of references that have been framed keeping in view the requirements prescribed for such Board Committees under the provisions of the Companies Act, 2013 and Listing Regulations.

During the Financial year, each Committee has played a significant role in upholding and nurturing the principles of good governance and assisting the Board of Directors in discharging its duties and responsibilities.

AUDIT COMMITTEE:

The Audit Committee acts on the terms of reference given by the Board pursuant to Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Audit Committee reviews with Management, the Statutory Auditors and the Internal Auditors on all aspects of the financial results, effectiveness of internal audit processes, taxation matters and the Company's risk management strategy. It assists the Board in fulfilling its responsibilities in monitoring and reviewing financial processes, governance and reviewing statutory and internal audit activities.

Composition: The Audit Committee consists of two Independent Directors and one Non-Executive Director. Company Secretary of the Company is acting as Secretary of the Audit Committee.

Meetings and Attendance: The Committee members met four times during the financial year ended March 31, 2018. The Attendance of members at the Committee Meetings is given below:

Members	Attendance on Meetings held on			
	17 May 2017	06 Sep 2017	29 Nov 2017	07 Feb 2018
Mr. M.S Srinivasan Chairman	✓	✓	✓	✓
Mr. Ricardo Suarez Garza	✓	✓	LoA	✓
Mr. P V Krishna	✓	✓	✓	✓

(✓- Attended, LoA – Leave of Absence)

The terms of reference are briefly described below:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommending the Board, appointment, re-appointment, replacement or removal (in the event of necessity) of Statutory Auditors, Cost Auditors and / or any other auditors including fixation of remuneration.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the annual financial statements before submission to the Board for approval.
- Review and monitor the Internal Audit Report and the effectiveness on the Risk Management Plan and Internal Financial Controls
- Review adequacy of internal control systems, internal audit department, reporting structure and frequency, whistle blower mechanism, statutory compliances.
- Approval or any subsequent modification of Related Party Transactions of the Company.

The Audit Committee is vested with the necessary powers to achieve its objectives.

The Committee has discharged such other role/function as envisaged under Regulation 18 (3) read with Part C of Schedule II of the Listing Regulations and the provisions of Section 177 of the Act.

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Committee focuses primarily on monitoring and ensuring that the shareholder and investor services operate in an efficient manner and that all Stakeholders grievances / complaints are addressed promptly with the result that all issues are resolved rapidly and efficiently.

The said Committee has been authorized to approve the Transfer/transmission/ transposition of shares and issue of duplicate share certificates.

Board at their meeting held on 29th November 2017 reconstituted the Committee to induct Mr. Ajay Kumar Sinha and Mr Anthony Allard as the member of the Committee.

The Committee consists of three non-executive Directors and the Company Secretary as the Secretary of the Committee.

Composition and the attendance of Members at the Meetings held during the financial year ended March 31, 2018 is given below:

Members	Attendance on Meetings held on		
	17 May 2017	06 Sep 2017	07 Feb 2018
Mr. Ricardo Suarez Garza Chairman	✓	✓	
Mr. Indraneel Dutt	✓	✓	NA
Mr. Ranganathan V *	LoA	NA	NA
Mr. Ajay Kumar Sinha	NA	NA	✓
Mr. Anthony Allard	NA	NA	✓

Mr. Sathyamoorthy A, Company Secretary of the Company is the Compliance officer and Secretary of the Committee.

Investor Grievances Redressal Status

Complaints received from the Shareholders are well addressed and resolved to their satisfaction and as on the date of the report no complaints were held as unresolved.

NOMINATION AND REMUNERATION COMMITTEE:

The terms of reference and Role of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations which includes formulating the criteria to:

- Determine qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Committee consists of three Non-Executives Directors with an independent Director as Chairman and the Company Secretary as the Secretary of the Committee.

Committee met for two times during the financial year ended 31st March 2018. The Attendance of Members at the Meetings held during the financial year is given below:

Members	Attendance on Meetings held on	
	17 May 2017	29 Nov 2017
Mr. P V Krishna (Chairman)	✓	✓
Mr. M.S Srinivasan	✓	✓
Ms Tabassum M Wajid	✓	✓

Performance evaluation criteria for Independent Directors (ID): The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors. The framework of performance evaluation of the Independent Directors captures the participation of the Directors in the Board proceedings and his / her effectiveness, contribution at the meetings, guidance / support to the Management.

(I) Remuneration policy

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company has formulated a policy, relating to the remuneration of the directors, Key Managerial Personnel and other employees.

The remuneration policy framed by the Nomination and Remuneration Committee warrants the Committee to decide the remuneration and other areas which falls under the terms of reference of the Committee

(II) Remuneration of Non-Executive Directors

The Remuneration paid to Non-Executive Directors as sitting fees for the financial year ended 31 March 2018 is summarized below during the financial year:

Name	Sitting fees (in Rs.)
Mr. M. S. Srinivasan	1,60,000
Mr. P V Krishna	1,60,000
Ms. Tabassum M Wajid	1,00,000

(III) Remuneration of Executive Directors

Remuneration to Mr Ajay Kumar Sinha, Executive Director being paid as per the Service Agreements entered with him them subject to the limits specified as per the provisions of the Companies Act, 2013.

Amount in Rs.

S. No	Particulars of Remuneration	Mr Ajay Kumar Sinha, Whole Time Director
1	Gross Salary	64,48,340*
2	Stock Options	--
3	Others (Incentives)	--
Total		**64,48,340**

* Mr Ajay Kumar Sinha, CEO has been appointed as Whole-Time Director with effect from 29th November 2017. The remuneration paid is for the full financial year 2017-18 which includes the remuneration paid in the capacity of CEO.

GENERAL MEETINGS AND EXTRA ORDINARY GENERAL MEETINGS:

The particulars of Location, date and time of the Annual General Meeting held during the last 3 years and Special Resolutions passed thereat:

For Financial Year ended	Date and Time	Venue	Special Resolutions Passed
31st March 2017	06th September 2017 At 02:30 P.M	GRT Regency Gandhi Road, Kanchipuram amilnadu-631502	NIL
31st March 2016	03rd August 2016 At 02:00 P.M	GRT Regency Gandhi Road, Kanchipuram amilnadu-631502	Alteration of Memorandum of Association & Articles of Association
31st March 2015	14th August 2015 At 02:00 P.M	Pleasant Days Resort Chennai-Bangalore Trunk Road, Palanjur, Sembarambakkam Chennai- 602103	Approval for Related Party Transactions

The particulars of Extra-Ordinary General Meetings held during the last three years are as under:

NIL

The particulars of Special Resolutions passed through Postal Ballot held during the last year are as under:

NIL

MEANS OF COMMUNICATION:

The Annual Report, Quarterly, Half-Yearly and Annual Financial Results, Shareholding Pattern, Intimation of the Board Meetings and other statutory filings with the Stock Exchanges is posted through the filing system of the BSE Limited and NSE Electronic Application Processing System (NEAPS) portals. These results are generally published in the all India editions of The Financial Express and Makkal Kural. The financial results of the Company are also made available on the Company`s website www.prolecge.in

All price sensitive information and matters which are material and relevant to the Shareholders are intimated to the BSE Limited and the National Stock Exchange of India Limited, where the securities of the Company are listed.

SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and during the financial year, no complaint was reported.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis (MDA) giving an overview of the Company's business and its financials are provided as part of this Annual Report.

CODE OF CONDUCT:

The code of Conduct for all the members of the Board and senior management of the Company has been posted on the website of the Company: www.prolecge.in. All Board members and senior management personnel (as per Regulation 26(3) of the Listing Regulations) have affirmed compliance with the applicable Code of Conduct. A declaration to this effect forms part of this Report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company's shares are listed on the BSE Limited and the National Stock Exchange of India Limited. With the view to preventing insider trading and abusive self-dealing in the securities of the Company, the Company has formulated a Code of Conduct to Regulate, Monitor and Report Trading of the Company's securities by Insiders in accordance with the SEBI Prohibition of Insider Trading) Regulations, 2015. As a part of this Code, the Company's Directors, Key Managerial Personnel and designated employees are advised of the closure of the trading window for dealing / transacting in the Company's Equity Shares prior to the announcement of the quarterly, half-yearly and annual financial results of the Company and other price sensitive information.

The Company has also adopted a Code of Corporate Disclosure Practices, for ensuring timely and adequate disclosure of Unpublished Price Sensitive Information by the Company, to enable the investor community to take informed investment decisions with regard to the Company's shares.

SHAREHOLDERS' INFORMATION:

26th Annual General Meeting:

The 26th Annual General Meeting will be held on Tuesday, August 14, 2018 at Hotel Fairfield by Marriott – Sriperumbudur at 2.30 P.M (IST).

Financial Year of the Company

The Company follows 1st April to 31st March as financial year.

Financial Calendar (tentative)

Results for the quarter ending June 30, 2018	Second week of August 2018
Results for the quarter ending September 30, 2018	Second week of November 2018
Results for the quarter ending December 31, 2018	Second week of February 2019
Results for the quarter ending March 31, 2019	Third week of May 2019
AGM for the Financial year ending March 31, 2019	Second week of August 2019

Date of book closure:

August 08, 2018 to August 14, 2018 (both days inclusive)

LISTING OF SHARES ON STOCK EXCHANGES

The equity shares of the Company are currently listed with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has paid till date, appropriate listing fee to both the stock exchanges.

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 023

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051

Stock Code

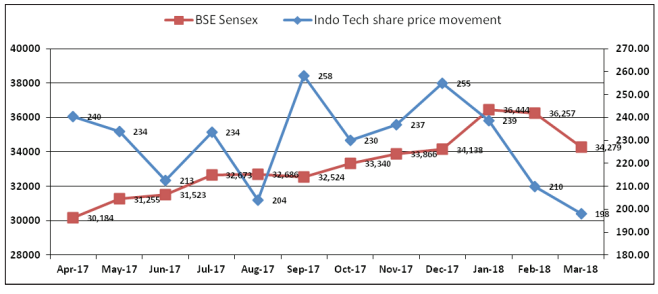
Stock Exchange	Code
BSE Limited	532717
National Stock Exchange of India Limited	INDOTECH
ISIN number for equity shares	INE332H01014

STOCK PRICE DATA

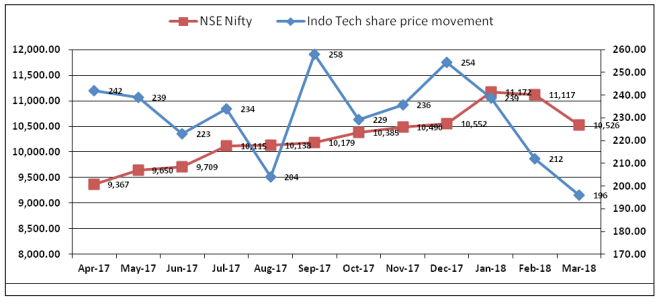
Month	NSE		BSE	
	High	Low	High	Low
April 2017	240.30	207.40	242.00	207.00
May 2017	234.00	190.30	239.00	191.00
June 2017	212.70	176.80	223.00	177.25
July 2017	233.65	185.55	233.90	186.00
August 2017	203.90	176.50	204.00	177.05
September 2017	258.20	182.35	258.05	188.30
October 2017	229.95	202.80	229.20	202.75
November 2017	236.95	197.00	235.75	196.20
December 2017	255.00	190.00	254.40	190.05
January 2018	238.55	203.80	238.70	200.00
February 2018	210.00	175.25	212.00	182.50
March 2018	198.00	164.25	195.95	165.00

Note: The Equity Shares of the Company were listed on NSE and BSE on March 16, 2006.

PERFORMANCE IN COMPARISON TO BSE SENSEX:



PERFORMANCE IN COMPARISON TO NSE NIFTY



REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited
C 101, 247 Park, L.B.S.Marg, Vikhroli (West),
Mumbai - 400083Phones : 022 - 4918 6270
Fax : 022-4918 6060
E-mail : mt.helpdesk@linkintime.co.in.

SHAREHOLDING PATTERN AS ON MARCH 31, 2018

Category	No. of Shares	Percentage
Foreign Promoter Company	78,95,625	74.35
Hindu Undivided Family	2,39,941	2.25
Non Resident (Non Repatriable)	9,056	0.09
Non Resident Indians	31,906	0.30
Other Bodies Corporate	4,77,466	4.50
Public	19,27,682	18.15
Financial Institution	6,467	0.06
Banks	1,668	0.02
Clearing Members	30,189	0.28
Total	**1,06,20,000**	**100.00**

SHARE TRANSFER, TRANSMISSIONS, SPLITS, SUB-DIVISION, CONSOLIDATION, RE-MAT

No applications for transfer/ transmission/split/subdivision consolidation/Re-mat were received during the financial year ended March 31, 2018.

SHAREHOLDING SUMMARY AS ON MARCH 31, 2018

Category	Total Shares	% to Equity
Physical	3,252	0.03
NSDL	95,91,819	90.32
CDSL	10,24,929	9.65
Total	**10,620,000**	**100.00**

DISTRIBUTION SCHEDULE AS ON MARCH 31, 2018

No. of Equity Shares held	No. of Shareholders	% to Shareholders	No. of Shares	% of Shareholding
1 to 500	8998	92.39	7,55,174	7.11
501 to 1000	335	3.44	2,66,640	2.51
1001 to 2000	192	1.97	2,77,609	2.61
2001 to 3000	82	0.84	2,16,211	2.04
3001 to 4000	29	0.30	1,01,054	0.95
4001 to 5000	32	0.33	1,50,932	1.42
5001 to 10000	35	0.36	2,39,670	2.26
Greater than 10000	36	0.37	86,12,710	81.10
TOTAL	**9739**	**100.00**	**10,620,000**	**100.00**

GREEN INITIATIVE IN THE CORPORATE GOVERNANCE

As part of the green initiative process, the company has taken the initiative of sending documents like Notice calling Annual General meeting, Corporate Governance Report, Directors Report, audited Financial Statements, Auditors Report, Dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company and for the bounced-mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent / concerned depository to enable the company to send the documents in electronic form or inform the company in case they wish to receive the above documents in paper mode.

PLANT LOCATION & ADDRESS FOR CORRESPONDENCE

INDOTECH TRANSFORMERS LIMITED

Survey No. 153-210, Illuppapattu Village Near Rajakulam, Kancheepuram (Dist.), Tamilnadu – 631561

DISCLOSURES

Related Party Transactions:

There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. The Company does not have any subsidiary or associate. Transactions with related parties are entered into by the Company in the normal course of business and at arm's length. The details of transactions are periodically placed before the Audit Committee for review and approval. Members may refer to the notes to the accounts for details of related party transactions.

Company has adopted a policy on related party transaction and it is placed on website of the Company Web link: http://www.prolecge.in/ corporate%20governance.html.

Disclosure of Accounting Treatment:

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

Compliance with Regulations:

The Company has complied with the requirements of the Regulatory Authorities on Capital Markets. Neither has there been any instances of non-compliance by the Company on any matters related to the capital markets, nor has any penalty or stricture been imposed on the Company by the Regulatory Authorities or any statutory authority, on any matter related to capital markets, during the last three years.

Whistle-blower Policy:

The Company has a Whistle Blower mechanism wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management. The confidentiality of those reporting violations shall be maintained and they shall not be subjected to any discriminatory practices. The Company affirms that no employee has been denied access to the audit committee. The Whistle-blower Policy is placed on website of the Company.

Corporate Social Responsibility (CSR)

Even though the provisions relating to the Corporate Social Responsibility (CSR) are not applicable to the Company, the approach towards CSR is holistic and integrated with the core business strategy of the Company for addressing social and environmental impacts of business. The Company is committed to undertake the CSR activities to address the well-being of all stakeholders and not just the company's shareholders.

Dividend Policy

Company did not declare any dividend during the period due to operational loss. The Company's policy on dividend is to return to the shareholders that cash, which in the opinion of the Board, is in excess to the medium term cash requirements. In determining the future cash requirements of the business, the Board reviews the Working capital to support growth, Capital investment to expand capacity, the projected business performance and internal cash generation.

Transfer of shares to Investor Education and Protection Fund:

Company does not have any unpaid/unclaimed dividend amount or shares which are pending to be transferred to the Investor Educations and Protection Fund.

Details of Compliance with Mandatory Requirements and adoption of Non-Mandatory Requirements:

The Company has complied with the applicable mandatory requirements of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

The Company has adopted following non-mandatory requirements as specified in Part E of Schedule II of the SEBI (LODR) Regulations, 2015.

- A Non-Executive Chairperson is entitled to maintain a Chairperson's office at the Company's expenses and also allowed reimbursement of expenses incurred in performance of his duties.
- During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements.
- The Chairperson of the Company and the CEO are different persons.
- The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members

Policy for determining 'material' subsidiaries:

Company does not have any subsidiary / subsidiaries. However company has adopted a policy on determining material subsidiary and it is placed on website of the Company (web link: http://www.prolecge.in/ compliance.html).

Disclosures with respect to demat suspense account / unclaimed suspense account

NIL

Reporting of Internal Auditor

The internal auditor may report directly to the Audit Committee.

Compliance or otherwise of any requirement of Corporate Governance Report

The Company has complied with the requirements of the Corporate Governance and has made disclosures to the extent required and applicable to it, as stipulated in Listing Regulations.

Correspondence regarding Change of Address etc

Shareholders are requested to ensure that any correspondence for change of address, change in bank mandates, etc. should be signed by the first named shareholder. The company is now also requesting for supporting documents such as proof of residence and proof of identification whenever a letter requesting for change of address is received. This is being done in the interest of shareholders as there are cases in the corporate world where attempts are made to fraudulently change the registered address of shareholders by unscrupulous parties. Shareholders are requested to kindly co-operate and submit the necessary documents / evidence while sending the letters for change of address. Shareholders who hold shares in dematerialised form should correspond with the Depository Participant with whom they have opened Demat Account/s.

Pending Investors' Grievances'

Any shareholder whose grievance has not been resolved to his / her satisfaction may kindly write to the Company Secretary at the Registered Office with a copy of the earlier correspondence.

For and on behalf of the Board of Directors
INDO-TECH TRANSFORMERS LIMITED

Ricardo Suarez Garza
Chairman
DIN: 07194157

Ajay Kumar Sinha
Whole-Time Director
DIN: 07972409

Place : Chennai
Date : May 16, 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements which may contain certain statements describing the Company's objectives, expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company is not obliged to update any such forward-looking statements. Some important factors that could influence the Company's operations comprise of economic developments, pricing and demand and supply conditions in global and domestic markets, changes in government regulations, tax laws, litigation and industrial relations.

ECONOMIC AND INDUSTRIAL HIGHLIGHTS

The Global Economy

The World Bank forecasts global economic growth to edge up to 3.1 percent in 2018 after a much stronger-than-expected 2017, as the recovery in investment, manufacturing, and trade continues. Growth in advanced economies is expected to moderate slightly to 2.2 percent in 2018, as central banks gradually remove their post-crisis accommodation and the upturn in investment growth stabilizes. Growth in emerging market and developing economies as a whole is projected to strengthen to 4.5 percent in 2018, as activity in commodity exporters continues to recover amid firming prices.

The broad-based recovery in global growth is encouraging. The global economy has seen an improvement in sentiment with growth in some major economies. However, the rising price of oil due to political uncertainties in West Asia, supply dislocation in some other oil-exporting countries, high exposure to natural disasters, increasing global political tensions, will pose threats to economic recovery. The buildup of financial vulnerabilities, Inward-looking policies, and other non-economic factors is some of the key factors that will drive the global economy in the near future.

Indian Economy – Opportunities and Threats

India has emerged as the fastest growing major economy in the world and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP growth for the year ended 31 March 2018 stands at 6.7 per cent and is expected to grow 7.3 per cent in fiscal year 2018-19.

The biggest challenges for 2018 are as to how the economy can maintain its recovery in the face of increasing inflationary pressures, coupled with a higher fiscal deficit as well as an increasing debt burden challenges on sustainability of the country's banking system, increasing stressed assets, Non-performing Assets (NPA), bad loans and bank fraud. India being largely a domestically-driven economy, most investors, domestic and international, remain positive about its economic future. This belief emanates from the series of measures taken by the Government in boosting the economy, the twin effects of demonetisation and the hardship faced by the tax payers imposing enormous compliance burden of the Goods and Services Tax (GST) has affected the Indian business environment, especially in the unorganised sector. Other bold measures of the Government, viz., the enactment of the Real Estate (Regulation and Development) Act, 2016 (RERA) and implementation of the Insolvency and Bankruptcy Code 2016 (IBC), whose effects were greatly felt during the year 2017, kept the economy subdued for better part of the year. The movement of the Indian rupee against the US dollar had been quite erratic, having appreciated sharply in the beginning of the year. Concerns of fiscal slippage at the Central and State Government levels, rising crude oil prices and increase in trade deficit has exerted downward pressure on the rupee. The Indian economy has now moved on a recovery path which is a good indicator of the effectiveness of the above measures.

INDUSTRY

India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides.

Government has taken major steps to strengthen the power transmission & distribution network and has undertaken initiatives such as UDAY (Ujwal Discom Assurance Yojana), DDUGJY (Deendayal Upadhyaya Gram Jyoti Yojana) and IPDS (Integrated Power Development Scheme) for financial turnaround and operational improvement of power distribution in all over India.

The total installed capacity stands at 3,44,002 MW out of which the renewables sector constitutes about 33.6%. India has reached 4th and 6th position in global Wind and Solar Power installed capacity. The Government has planned to achieve 175 GW capacity in renewable energy by 2022, which includes 100 GW of Solar Power and 60 GW of Wind Power. Two under-construction hydro projects of NHPC in Himachal Pradesh and Jammu & Kashmir (J&K), expected to be commissioned in 2018, will produce 4,458.69 million units of additional power, according to the Ministry of Power, Government of India.

The Government is taking various initiatives to achieve the intended objective of adding 175 GW of renewable energy. The Government is actively looking to restart the stalled hydro power projects and increase the Wind energy production to 60 GW by 2022 from the current 20 GW.

The electricity generation grew by 3.9% to 1,205.92 billion units (BU) in 2017-18 as compared to 1,159.83 BU generated in the previous year (2016-17). The generation during 2015-16 was 1107.822 BU as compared to 1048.673 BU generated during April- March 2015, representing a growth of about 5.64%.

The Government has achieved its stated objective of electrifying all villages in the country in the month of April 2018. Peak demand met during the year was 1,60,752 MW as against the Peak demand of 1,64,066 MW.

The Government is playing an active role in promoting the adoption of renewable energy resources by offering various incentives in the form of generation based incentives, capital and interest subsidies, viability gap funding, concessional finance, fiscal incentives etc. The National Solar Mission aims to promote the development and use of Solar energy for power generation and other uses, with the ultimate objective of making solar energy compete with fossil based energy solutions. The Renewables sector installed capacity has grown at a CAGR of 22% between FY'10-FY'18.

Transmission sector is poised to attract an investment of 3.2 lakh crore between FY 18 to FY 22 as per CRISIL study. There will be additional power demand of 20 GW by connecting all households.

Various policy measures have been undertaken by the government to achieve the target of renewable energy capacity to 175 GW by the year 2022. These include setting up of Solar Power Parks, development of power transmission network through Green Energy Corridor Project, guidelines for procurement of solar and wind power through tariff based competitive bidding process, National Offshore Wind Energy Policy, Repowering of Wind Power Projects, identification of large government complexes/buildings for rooftop projects etc.

Under the National Solar Mission, 23656 MW has been tendered out, of which LOI issued for 19340 MW. Capacity of the scheme for 'Development of Solar Parks and Ultra Mega Solar Power Projects' has been enhanced from 20000 MW to 40000 MW. 35 Solar Parks of aggregate capacity 20514 MW have been approved in 21 states.

A robust and efficient power T&D infrastructure is imperative for effective Transfer of power from generation source to the consumption points / demand centres. Thus, expanding the T&D infrastructure to transmit the power generated to consumer points across the length and breadth of the country becomes imperative.

OPPORTUNITIES, CONCERNS AND RISKS

Opportunities

India is on the verge of becoming major power nation among developing economies. Electricity is a key constituent for the economic growth of the country and is directly linked to GDP of the country. There has been a surge in demand for power in India due to increase in capacity utilisation, industrialisation, urbanisation and population.

India is likely to attract a massive investment of Rs 11,55,652 crore in power generation sector in the five-year period between 2017 and 2022 in setting up projects across thermal, hydro, nuclear and renewables segment

The power and distribution transformers market in India is projected to grow at a CAGR of over 10% till 2020. Power transformers contribute a major portion in overall market revenues due to their higher price points. Indian government has allocated US$ 200 billion for strengthening the country's power generation, transmission and distribution sector as a strategy towards the 12th Five year plan.

India is looking at a new, brave world of renewable energy. For the first time since the climate talks started in 1992, there has been a market shift that indicates the potential to decarbonise the energy sector in the country. The current market trends show that the renewable energy costs have come down significantly in the last 10 years; solar photovoltaic (PV) costs have reduced by 20% annually since 2007. Projections on future costs indicate that solar PV will be the cheapest source of electricity in India by 2020 and solar rooftop system with battery back-up will achieve grid-parity by 2025.

India is also focusing on use of alternative energy resources like nuclear and solar energy for power generation, which is expected to further boost transformer deployments in the country in the coming years. With the Central and various state governments' huge emphasis on growth of infrastructure sector (mainly on Power, Transportation logistics, construction, etc.), key initiatives such as Make in India, complete rural electrification by 2020 etc., led the India's economy and more particularly, power sector is expected to grow at double digit rate for next few years.

A transformer is regarded as the most expensive asset in a power transmission network as it nearly cost 60% of the total substation capital cost. Transformers are critical components of the Power T&D network that are used to change voltage in the power transmission and distribution process, and hence play a key role. Transformers can be broadly classified, based on the output rating as:

- Distribution Transformers (31.5 to 5,000 KVA)
- Power Transformers (5.1 to 500 MVA)

Solar parks to create demand:

The government plans to install 175 GW of renewable energy by 2022. While the government is confident of surpassing the target 'comfortably,' it is exploring ways to add incremental capacity through floating solar, solar manufacturing and offshore wind projects, among other measures.

In the solar park, transformers are required as part of the power evacuation system. Step-up generation transformers (33KV) would be needed at each power injection point in the solar park from where power would be transmitted to the nearest substation, which will have a step-up transformer (220KV), which will raise voltage to higher levels for feeding into the power grid. The company hopes that roll-out of solar power parks can create enough demand.

Solar power tariffs have declined sharply in recent years in India because of plunging prices of solar modules. While this has a positive impact on the cost of procuring power, it has also initiated certain discussions about renegotiation of already signed power purchase agreements (PPAs) by certain states as well as non-signing of PPAs in many states. The Solar developers were also dealing with the revised tax imposed on Solar panels which resulted in supply chain issues and subsequent project delays by the developers. Due to this uncertain environment, the solar capacity addition during the year fell significantly. However, the overall capacity addition plan is on track and expected to see more momentum in 2018-19.

Concerns and Risks:

- **Raw material price volatility:**

  Copper and CRGO laminated Silicon Steel are the major raw material which contributes more than 50% cost of total raw material. The supply of CRGO is one of the major challenges in the industry as it needs to be imported and there is less supply. CRGO which is one of the major raw materials for transformers is not being manufactured in India causing more FOREX outflow and the importers levy high service charge from the manufacturers. Adverse price movement of both commodities can impact the margins of the Company. The Copper price is determined by the London Metal Exchange (LME).

- **Unorganized players:**

  India's transformer market is predominantly unorganised with many small participants catering to the smaller distribution transformer markets. In addition to severe competition with MNC players, domestic manufacturers, Chinese and Korean manufacturer's entry makes the market very competitive. Company has to compete with unorganized players for orders from SEBs, utilities and industrial clients. This makes the market more competitive and price sensitive rather than quality.

- **Overcapacity in industry**

  Due to the entry of large number of players during favorable time, there is overcapacity in the industry currently. The demand from the manufacturing segment is still a major concern for the industry, the manufacturing sector is yet to see an investment uptick due to low capacity utilisation and this has led to slowdown in new as well as expansion projects. As a result aggressive pricing is undertaken by some of the players which could impact margins.

- T**esting**

  Certifications of variety of Transformers and different star ratings become an expensive process due to less number of testing facilities. Testing infrastructure available at India's premium agency, the CPRI is proving short of demand as they are not in pace with the production both quantitatively and qualitatively. It takes around 2-3 months for BEE certification. Dual certification from both BIS and BEE is required in India which is even more challenging.

- **Utility Orders**

  The transformer industry largely depends on the spending from transmission and distribution utilities and recent tenders/ordering activity by utilities clearly demonstrate the downward trend. It has also been observed that the number of projects, especially in the transmission sector which have been initiated have been put on hold due to delay in approvals and lack of funds. All Contracts awarded by the utilities are based on low price (L1) bidder which results in price war with unorganized players without compromise on the quality is the challenge for the organized quality driven Companies. The payment terms of utilities are generally high credit period compared to private parties which impact the Company's cash flow.

BUSINESS OVERVIEW AND OUTLOOK

Given the capacity expansion plans of state-owned transmission companies, demand is expected for high voltage and extra high voltage power transformers and for distribution large transformers. Further, the focus on non-conventional energy will lead to more wind and solar power generation fuelling the growth for transformers. In addition to the domestic market, your Company has taken steps to foray into the global market through General Electric network to improve its performance and reach.

RISK AND INTERNAL CONTROLS

The Audit Committee and the Board of Directors reviewed internal controls and the progress of implementation of the recommendations of internal audits. The Whole-Time Director/ CFO certification provided in the report discusses the adequacy of our internal control systems and procedures.

The Company has an Internal Financial Control (IFC) process which aims at providing reasonable assurance on - reliability of financial information, compliances with laws and regulations in force and realization and optimization of operations. It ensures documentation and evaluation of unit and entity level controls through existing policies and procedures, primarily to identify any significant gaps and define key actions for improvement. Management conducted an assessment of the effectiveness of internal financial controls and based on this assessment, management has determined that the Company`s internal financial controls as of 31 March 2018 were effective.

The Company has an independent Internal Auditor for periodically carrying out audit of the transactions of the Company in order to ensure that recording and reporting are adequate and proper. The Internal Auditors independently evaluate the adequacy of internal controls to ensure that internal controls, checks and balances in the system are adequate, proper and up-to-date.

FINANCIAL AND OPERATIONS PERFORMANCE

The financial statements complied with the requirements of the Companies Act, 2013, and the Generally Accepted Accounting Principles (GAAP) in India. The financial performance of your Company was affected by the combined impact of pricing pressures in the market place, increases in input costs, delays in projects as well as complying with stringent design specifications of the customers. The Company is fully focused on reducing the input costs and is using the expertise of its parent company

HUMAN RESOURCES

Your company recognizes employees are the foundation of corporate success. We consider them our most valuable assets, and have been working towards keeping them engaged and Inspired. We believe that Engaged and Inspired employees are more satisfied with their work, tend to stay longer, and are more productive, customer focused and committed. We have employees who have been with us for more than 30 years. Our periodical trainings have enhanced productivity. Our work place culture not only attracts and retains the best employees but also attracts employees who have left us for better prospects to re-join us. The Human resource department builds friendly relationship with each employee and helps them resolve grievances at short notice thereby inculcating an employee friendly environment which is highly rewarding.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members of Indo Tech Transformers Limited

We have examined the compliance of conditions of Corporate Governance by Indo Tech Transformers Limited ('the Company'), for the year ended March 31, 2018, as per regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, to the extent applicable.

The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of corporate governance process relevant to the compliance of the conditions. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the above mentioned Listing Regulations

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

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

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 specified in Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of Listing Regulations, to the extent applicable.

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

Restrictions on use

This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. - 101248W/W-100022

Amar Sunder
Partner
Membership No. 078305

Place: Chennai
Date : May 16, 2018

CERTIFICATION BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

We hereby certify that for the financial year ending 31st March 2018, on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ending 31st March 2018, which are fraudulent, illegal or in violation of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls. We have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and have taken the required steps to rectify these deficiencies.
5. We further certify that:-
   a) There have been no significant changes in internal control during this year.
   b) There have been no significant changes in accounting policies during this year.
   c) There have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system.

Place : Chennai
Date : May 16, 2018

Abhishek Dalmia
Chief Financial Officer

Ajay Kumar Sinha
Whole-Time Director

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for all Board members and senior management of the Company. The Code has been hosted on the Company's website www.prolecge.in.

We confirm that the Company has in respect of the financial year ended 31st March 2018, received from the Members of the Board and the senior management team of the Company a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means employees in the rank of Heads of functions.

Place : Chennai
Date : May 16, 2018

Ajay Kumar Sinha
Whole-Time Director

INDEPENDENT AUDITOR'S REPORT

To the Members of Indo Tech Transformers Limited

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Indo Tech Transformers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 of the state of affairs of the Company as at March 31, 2018, its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Emphasis of matter

We draw attention to Note 2(b) to the financial statement which more fully discusses the going concern related matters. Based on the current business plans, commitment by the holding company to provide financial and other assistance as is necessary to enable the Company to continue in operational existence for the foreseeable future and at least for a period of 12 months from the reporting date and availability of banking limits, the Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying value of assets/liabilit ies as at March 31, 2018. Accordingly, the statement has been prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) The going concern matter described under the Emphasis of matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

   f) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements; - Refer Note 31 to the Ind AS financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018. However amounts as appearing in the audited financial statements for the period ended March 31, 2017 have been disclosed.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Amar Sunder
Partner
Membership No. 078305

Place: Chennai
Date: May 16, 2018

Annexure – A to the Independent Auditor's Report Referred to in our Independent Auditor's Report of even date to the members of Indo Tech Transformers Limited on the Ind AS financial statements as of and for the year ended March 31, 2018

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. (a) The inventory, except certain goods-in-transit and stocks lying with third parties, has been physically verified by the management during the period. In our opinion, the frequency of such verification is reasonable. For major portion of stocks lying with third parties at the year end, written confirmations have been obtained by the Company.

(b) The inventory has been physically verified by the management during the year. 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. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between physical stock and book records were not material.

iii. In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantee or security to the parties covered under Section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.

vi. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

vii. (a) According to the information and explanations given to us and on the basis of an examination of the records of the Company, in our opinion, amount deducted / accrued in the books of account in respect of undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities except in respect of income tax deductible at source estimated at Rs. 62.36 lakhs which has not been deducted/paid.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax and other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the dues relating to income tax, sales tax, duty of excise and duty of customs that have not been deposited by the Company with the appropriate authorities on account of disputes are given below;

Name of the statute	Nature of the dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Customs Act, 1962	Customs duty	14.17*	FY 2004-05	Custom Excise and Service Tax Appellate Tribunal, Chennai
The Central Sales Tax Act, 1956	Central sales tax	4.42	FY 1996-97	Madras High Court
The Central Sales Tax Act, 1956	Central sales tax	3.63^	FY 2005-06 FY 2006-07	Assistant Commissioner of Commercial Taxes, Chennai
Tamil Nadu General Sales Tax Act, 1959	Penalty	0.16	FY 1996-97	Commissioner of Commercial Tax Appeals
Tamil Nadu Value Added Tax Act, 2006	Sales tax	14.12@	FY 2006-07, 2007-08, 2008-09 and 2009-10	Appellant Deputy Commissioner of Commercial Taxes
Central Excise Act, 1944	Excise duty	146.02	FY 2008-09 to December 2012	Custom Excise and Service Tax Appellate Tribunal, Chennai
Central Excise Act, 1944	Excise duty	41.16	January 2012 to December 2013 and March 2014 to March 2015	Joint Commissioner of Central Excise, Chennai
Income-tax Act, 1961	Income tax	36.70	AY 2005-06	Income Tax Appellate Tribunal
Income-tax Act, 1961	Income tax	63.52	AY 2006-07	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	80.26#	FY 14-15	Commissioner of Central Excise, Appeals

* net of Rs. 12.73 lakhs paid under protest
^ net of Rs. 25 lakhs paid under protest
@ net of Rs. 5.54 lakhs paid under protest

ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers. The Company does not have any outstanding loan or borrowings from any financial institutions, government or debenture holders during the year.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations give to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act. The remuneration paid to one of the whole time directors is subject to the shareholder's approval in the ensuing annual general meeting.

xii. In our opinion and according to the information and explanation given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standard.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly, paragraph 3(xvi) of the order is not applicable.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Amar Sunder
Partner
Membership No. 078305

Place: Chennai
Date : May 16, 2018

Annexure - B to the Independent Auditor's Report Referred to in our Independent Auditor's Report of even date to the members of Indo Tech Transformers Limited on the Ind AS financial statements as of and for the year ended March 31, 2018

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial statements of Indo Tech Transformers Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial statements and their operating effectiveness. Our audit of internal financial controls over financial statements included obtaining an understanding of internal financial controls over financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial statements.

Meaning of Internal Financial Controls over Financial Statements

A company's internal financial control over financial statements is a process designed to provide reasonable assurance regarding the reliability of financial statements and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Statements

Because of the inherent limitations of internal financial controls over financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial statements to future periods are subject to the risk that the internal financial control over financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial statements and such internal financial controls over financial statements were operating effectively as at 31 March 2018, based on the internal control over financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Amar Sunder
Partner
Membership No. 078305

Place: Chennai
Date : May 16, 2018

Balance Sheet as at March 31, 2018

(All amounts are in Indian Rupees lakhs, except share data or as stated)

	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	4	5,034.38	5,429.32	6,214.85
Capital work in progress	4	21.37	36.42	5.75
Intangible assets	5	8.01	1.61	3.82
Financial assets				
Deposits	6(i)	173.47	218.76	221.65
Other financial assets	6(ii)	75.48	29.78	139.36
Deferred tax assets, net	7	-	-	-
Other tax assets	8	338.62	327.85	320.77
Other non-current assets	9	63.31	190.33	86.47
Total non-current assets		**5,714.64**	**6,234.07**	**6,992.67**
Current assets				
Inventories	10	4,298.17	4,710.91	3,520.65
Financial assets				
Trade receivables	11	7,949.21	5,939.55	5,944.21
Cash and cash equivalents	12(i)	445.84	210.50	1,619.78
Other bank balances (other than (i) above)	12(ii)	824.62	809.12	722.36
Other financial assets	13	49.89	43.26	184.42
Other current assets	14	1,046.76	1,602.01	1,761.85
Total current assets		**14,614.49**	**13,315.35**	**13,753.27**
Assets held for sale	15	539.29	502.87	-
Total Assets		**20,868.42**	**20,052.29**	**20,745.94**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	1,062.00	1,062.00	1,062.00
Other equity	17	12,348.08	12,756.82	13,901.91
Total equity		**13,410.08**	**13,818.82**	**14,963.91**
Liabilities				
Non-current liabilities				
Provisions	18	134.43	98.48	143.61
Total non-current liabilities		**134.43**	**98.48**	**143.61**
Current liabilities				
Financial Liabilities				
Trade payables	19(i)	5,535.49	3,827.38	4,185.96
Other financial liabilities	19(ii)	-	-	3.82
Other current liabilities	20	1,571.96	1,825.56	1,341.53
Provisions	18	216.46	482.05	107.11
Total current liabilities		**7,323.91**	**6,134.99**	**5,638.42**
Total liabilities		**7,458.34**	**6,233.47**	**5,782.03**
Total equity and liabilities		**20,868.42**	**20,052.29**	**20,745.94**
Significant accounting policies	3			

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. - 101248W/W-100022

Amar Sunder
Partner
Membership No.: 078305

Place: Chennai
Date : May 16, 2018

for and on behalf of the Board of Directors of
Indo Tech Transformers Limited

Ricardo Suarez Garza
Chairman
DIN: 07194157

Ajay Kumar Sinha
Director
DIN: 07972409

Abhishek Dalmia
Chief Financial Officer

Sathyamoorthy A
Company Secretary

Place: Chennai
Date : May 16, 2018

Statement of Profit and Loss for the year ended March 31, 2018

(All amounts are in Indian Rupees lakhs, except share data or as stated)

	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operations	21	22,561.21	16,412.06
Other income	22	455.08	178.50
Total income		**23,016.29**	**16,590.56**
Expenses			
Cost of materials consumed	23	16,161.99	12,383.73
Changes in inventories of finished goods and work-in-progress	24	1,309.04	(1,407.27)
Excise duty		543.58	1,531.33
Employee benefits expense	25	1,834.85	1,697.59
Finance costs	26	46.72	117.15
Depreciation and amortization expense	27	473.95	481.64
Other expenses	28	3,015.58	2,693.10
Total expenses		**23,385.71**	**17,497.27**
Loss before tax		**(369.42)**	**(906.71)**
Tax expenses:			
Current tax relating to earlier years		-	220.65
Loss for the year		**(369.42)**	**(1,127.36)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability	18	(39.32)	(17.73)
Total comprehensive income for the year		**(408.74)**	**(1,145.09)**
Earnings per equity share:	34		
- Basic		(3.48)	(10.62)
- Diluted		(3.48)	(10.62)
Significant accounting policies	3		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. - 101248W/W-100022

Amar Sunder
Partner
Membership No.: 078305

Place: Chennai
Date : May 16, 2018

for and on behalf of the Board of Directors of
Indo Tech Transformers Limited

Ricardo Suarez Garza
Chairman
DIN: 07194157

Ajay Kumar Sinha
Director
DIN: 07972409

Abhishek Dalmia
Chief Financial Officer

Sathyamoorthy A
Company Secretary

Place: Chennai
Date : May 16, 2018

Cash Flow Statement for the year ended March 31, 2018

(All amounts are in Indian Rupees lakhs, except share data or as stated)

	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flows from operating activities			
Loss before tax		**(369.42)**	**(906.71)**
Adjustments:			
Depreciation / amortization		473.95	481.64
Profit on sale of fixed assets		(6.24)	(4.17)
Provision for doubtful debts, net		144.89	31.15
Bad debts written off		-	10.28
Provision for doubtful loans and advances		22.43	-
Interest income		(87.14)	(101.59)
Foreign exchange (gain) / loss, net (unrealised)		(4.24)	4.88
Liabilities / provisions no longer required written back		(332.02)	(11.74)
Provision for inventories		-	43.28
Provision for warranty		68.17	(2.52)
Finance costs		46.72	117.15
Operating cash flow before working capital changes		**(42.90)**	**(338.35)**
Decrease / (Increase) in inventories		520.86	(1,233.54)
Increase in trade receivables		(2,150.31)	(39.15)
Decrease in deposits and other financial asset		43.67	159.25
Decrease in other assets		883.74	55.98
Increase in trade payables, other liabilities and provisions		1,117.38	224.82
Cash generated from / (used in) operating activities		**372.44**	**(1,170.99)**
Income taxes paid		(10.77)	(7.08)
Net cash from / (used in) operating activities	**(A)**	**361.67**	**(1,178.07)**
Cash flows from investing activities			
Purchase of property, plant and equipment and capital work-in-progress, net		(109.79)	(232.96)
Proceeds from sale of property, plant and equipment		9.25	9.69
Interest received		82.13	86.39
Bank deposits (having original maturity of more than three months), net		(61.20)	22.82
Net cash used in investing activities	**(B)**	**(79.61)**	**(114.06)**

Cash Flow Statement for the year ended March 31, 2018 (continued)

(All amounts are in Indian Rupees lakhs, except share data or as stated)

Cash flows from financing activities			
Proceeds from short term borrowings		-	650.00
Repayment of short term borrowings		-	(650.00)
Finance costs paid		(46.72)	(117.15)
Net cash used in financing activities	**(C)**	**(46.72)**	**(117.15)**
Net increase in cash and cash equivalents	**(A+B+C)**	**235.34**	**(1,409.28)**
Cash and cash equivalents at the beginning of the year (see note below)		**210.50**	**1,619.78**
Cash and cash equivalents at the end of the year (see note below)		**445.84**	**210.50**

Notes to cash flow statement

		As at March 31, 2018	As at March 31, 2017
Components of cash and cash equivalents:			
- Cash on hand		-	0.03
- Balances with banks			
- on current accounts (including monies held in trust)		229.83	116.74
- on cash credit accounts		216.01	93.73
		445.84	**210.50**
Significant accounting policies	3		

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. - 101248W/W-100022

Amar Sunder
Partner
Membership No.: 078305

Place: Chennai
Date : May 16, 2018

for and on behalf of the Board of Directors of
Indo Tech Transformers Limited

Ricardo Suarez Garza
Chairman
DIN: 07194157

Ajay Kumar Sinha
Director
DIN: 07972409

Abhishek Dalmia
Chief Financial Officer

Sathyamoorthy A
Company Secretary

Place: Chennai
Date : May 16, 2018

Statement of Changes in Equity for the year ended March 31, 2018

(All amounts are in Indian Rupees lakhs, except share data or as stated)

a. Equity share capital

	Amount
Balance as at April 1, 2016	**1,062.00**
Changes in equity share capital during the year	-
Balance as at the March 31, 2017	**1,062.00**
Changes in equity share capital during the year	-
Balance as at the March 31, 2018	**1,062.00**

b. Other equity

	Reserves and surplus (Refer note 17)				Other Comprehensive Income (Refer note 17)	Total
	Securities premium	Capital reserve	General reserve	Retained earnings	Remeasurements of defined benefit liability	
Balance at April 1, 2016 (Refer note 30)	**3,758.48**	**14,912.50**	**1,933.53**	**(6,702.60)**	**-**	**13,901.91**
Loss for the year	-	-	-	(1,127.36)	-	(1,127.36)
Other comprehensive income	-	-	-	-	(17.73)	(17.73)
Total comprehensive income for the year	-	-	-	(1,127.36)	(17.73)	(1,145.09)
Balance at March 31, 2017	**3,758.48**	**14,912.50**	**1,933.53**	**(7,829.96)**	**(17.73)**	**12,756.82**
Loss for the year	-	-	-	(369.42)	-	(369.42)
Other comprehensive income	-	-	-	-	(39.32)	(39.32)
Total comprehensive income for the year	-	-	-	(369.42)	(39.32)	(408.74)
Balance at March 31, 2018	**3,758.48**	**14,912.50**	**1,933.53**	**(8,199.38)**	**(57.05)**	**12,348.08**

Significant accounting policies 3

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. - 101248W/W-100022

Amar Sunder
Partner
Membership No.: 078305

Place: Chennai
Date : May 16, 2018

for and on behalf of the Board of Directors of
Indo Tech Transformers Limited

Ricardo Suarez Garza
Chairman
DIN: 07194157

Ajay Kumar Sinha
Director
DIN: 07972409

Abhishek Dalmia
Chief Financial Officer

Sathyamoorthy A
Company Secretary

Place: Chennai
Date : May 16, 2018

Notes to financial statements for the year ended March 31, 2018

(All amounts are in Indian Rupees lakhs, except share data or as stated)

1 Company overview

Indo Tech Transformers Limited ('Indo Tech' / 'the Company') is engaged in the business of manufacturing power and distribution transformers and various special application transformers, mobile sub-station transformers and sub-stations. The Company has manufacturing plants located at Chennai and Kancheepuram in Tamil Nadu.

2 Basis of preparation

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended March 31, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 30.

The financial statements were authorised for issue by the Company's Board of Directors on May 16, 2018.

Details of the Company's accounting policies are included in Note 3.

b. The Company has consistently been incurring operational losses over the last few years and has significant accumulated losses as at the year ended March 31, 2018. In order to overcome this, the Company has developed a business plan to streng then its financial position / liquidity and is in the process of initiating various measures to improve it's operational performance. Prolec GE (the holding company) has also continued to support the Company over the years. Based on the approved business plans, commitment by the holding company to provide financial and other assistance as is necessary to enable the Company to continue in operational existence for the foreseeable future (at least for the next 12 months) and availability of banking limits, the Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying values of assets/liabilities. Accordingly, this Financial Statements has been prepared on a going concern basis.

c. Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated

d. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

e. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2018 is included in the following notes:

Note 3(c) - estimated useful life of property, plant and equipment and intangible assets.

Note 3(i) and Note 31 – recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources.

Note 7 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

Note 18 – measurement of defined benefit obligations: key actuarial assumptions;

Note 3(f) – impairment of financial assets

f. Measurement of fair values

A few of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 29 – financial instruments;

3 Significant accounting polices

a. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

b. Financial instruments

(i) Recognition and initial measurement

Trade receivables and unbilled revenue are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through OCI (FVOCI) – debt investment;
- FVOCI-equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investments fair value in OCI (designated as FVOCI . equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (Refer note 30).

(iv) Depreciation

Depreciation is provided on the straight line method over the useful life as prescribed under Part C of Schedule II of the Companies Act 2013. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Useful life (in years)
Buildings	30-60
Plant and equipment	15
Office equipments	5
Computer and accessories	3-6
Fixtures and fittings	10
Vehicles	8

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

d. Intangible assets

(i) Recognition and measurement

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

(iv) Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss. Intangible assets comprise of softwares purchased which are amortised over a period of 5 years.

e. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

f. Impairment

(i) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the customer;

- a breach of contract such as a default or being past due for 90 days or more;

- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;

- it is probable that the customer will enter bankruptcy or other financial reorganisation; or

- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

g. Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

h. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

i. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

(i) Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and a weighting of all possible outcomes by their associated probabilities.

(ii) Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

j Earnings per share

Basic earnings per share is computed by dividing net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share amounts are computed after adjusting the effects of all dilutive potential equity shares. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares.

k Revenue

(i) Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates, if any. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. The timing of transfers of risks and rewards varies depending on the individual terms of sale.

(ii) Rendering of services

Service income is recognized as the services are rendered on an accrual basis in accordance with the terms of the relevant contract.

l Leases

(i) Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

(ii) Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

(iii) Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

m Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

n Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or

there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

o Cash and cash equivalents

For the purpose of presentation in the statement of cash flow, cash and cash equivalents includes cash on hand, deposits held at call with the financial institution, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

p Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company considers it's busines segment as it's primary segment. The Company is engaged into the business of manufacture and sale of transformers and there are not more than one reportable segment as envisaged by Indian Accounting Standard 108 - Segment Reporting (Ind AS-108). Accordingly, amounts appearing in these financial statements relates to only manufacture and sale of transformers.

Further, the operations primarily cater to the needs of the domestic market. Accordingly, there are no separate reportable segments according to Ind AS-108.

q Recent accounting pronouncements

Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115, establishes a comprehensive framework for determining whether, how much and when revenue should be recognised. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and Guidance Note on Accounting for Real Estate Transactions. Ind AS 115 is effective for annual periods beginning on or after April 01, 2018 and will be applied accordingly.

The Company has completed an initial assessment of the potential impact of the adoption of Ind AS 115 on accounting policies followed in its financial statements. The quantitative impact of adoption of Ind AS 115 on the financial statements in the period of initial application is not reasonably estimatible at present. The Company will adopt the standard on April 01, 2018 by using the cumulative catch-up transition method and accordingly the comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The Company does not expect the impact of the adoption of the new standard to be material on its retained earnings and to its net income on an ongoing basis.

(All amounts are in Indian Rupees lakhs, except share data or as stated)

4 Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and machinery	Office equipments	Computer and accessories	Furniture and fixtures	Vehicles	Total
(Gross carrying value) Deemed cost								
Balance as at April 1, 2016	**1,118.88**	**2,498.90**	**2,467.79**	**24.94**	**35.81**	**61.71**	**6.82**	**6,214.85**
Additions	25.00	119.87	55.62	0.07	1.73	-	-	202.29
Deletions / write off	-	-	-	-	-	-	5.52	5.52
Reclassification to assets held for sale (Refer note 15)	50.76	452.11	-	-	-	-	-	502.87
Balance as at March 31, 2017	**1,093.12**	**2,166.66**	**2,523.41**	**25.01**	**37.54**	**61.71**	**1.30**	**5,908.75**
Additions	36.42	6.18	70.52	2.65	1.83	-	-	117.60
Deletions / write off	3.01	-	-	-	-	-	-	3.01
Reclassification to assets held for sale (Refer note 15)	36.42	-	-	-	-	-		36.42
Balance as at March 31, 2018	**1,090.11**	**2,172.84**	**2,593.93**	**27.66**	**39.37**	**61.71**	**1.30**	**5,986.92**
Accumulated depreciation								
Depreciation during the year	-	105.82	338.16	1.87	5.56	26.72	1.30	479.43
Balance as at March 31, 2017	**-**	**105.82**	**338.16**	**1.87**	**5.56**	**26.72**	**1.30**	**479.43**
Depreciation during the year	-	96.99	350.23	2.05	5.20	18.64	-	473.11
Deletions / write off	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	**-**	**202.81**	**688.39**	**3.92**	**10.76**	**45.36**	**1.30**	**952.54**
Net block								
As at April 1, 2016	**1,118.88**	**2,498.90**	**2,467.79**	**24.94**	**35.81**	**61.71**	**6.82**	**6,214.85**
As at March 31, 2017	**1,093.12**	**2,060.84**	**2,185.25**	**23.14**	**31.98**	**34.99**	**-**	**5,429.32**
As at March 31, 2018	**1,090.11**	**1,970.03**	**1,905.54**	**23.74**	**28.61**	**16.35**	**-**	**5,034.38**

Capital work in progress

Particulars	Amount
Balance as at April 1, 2016 *	**5.75**
Additions	150.54
Assets capitalised / reversed during the year	119.87
Balance as at March 31, 2017 *	**36.42**
Additions	21.37
Assets capitalised / reversed during the year	36.42
Balance as at March 31, 2018	**21.37**

* represents amount paid towards registration of land measuring 0.132 acres and DP-36 land at SIDCO Industrial Estate, Thirumazhisai Chennai.

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

5 Intangible assets

Particulars	Computer software	Total
(Gross carrying value) Deemed cost		
Balance as at April 1, 2016	**3.82**	**3.82**
Additions	-	-
Disposals	-	-
Balance as at March 31, 2017	**3.82**	**3.82**
Additions	7.24	7.24
Disposals	-	-
Balance as at March 31, 2018	**11.06**	**11.06**
Accumulated amortisation		
Amortization during the year	2.21	2.21
Disposals	-	-
Balance as at March 31, 2017	**2.21**	**2.21**
Amortization during the year	0.84	0.84
Disposals	-	-
Balance as at March 31, 2018	**3.05**	**3.05**
Net block		
As at April 1, 2016	**3.82**	**3.82**
As at March 31, 2017	**1.61**	**1.61**
As at March 31, 2018	**8.01**	**8.01**

6 Non current Financial assets

(i) Deposits

(unsecured, considered good)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposits	173.47	218.76	221.65
Total	**173.47**	**218.76**	**221.65**

(ii) Other financial assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Bank deposit (due to mature after 12 months from the reporting date)*	75.48	29.78	139.36
Total	**75.48**	**29.78**	**139.36**

*Under lien with banks

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

7 Deferred tax assets (net)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax assets			
On Carried forward tax losses and other provisions*	648.74	691.14	769.63
	648.74	**691.14**	**769.63**
Deferred tax liabilities			
On excess of depreciation / amortisation on fixed assets under income-tax law over depreciation / amortisation provided in accounts	648.74	691.14	769.63
	648.74	**691.14**	**769.63**
Deferred tax assets (net)	**-**	**-**	**-**

* Deferred tax asset on unabsorbed depreciation or carry forward of losses are recognized only if there is a probable certainty of realization of such assets. Hence, deferred tax asset on carried forward tax losses and other provisions has been restricted to the extent of deferred tax liabilities.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the unused tax losses amounting to Rs. 15,734.26 lakhs as at March 31, 2018 and Rs. 16,054.73 lakhs as at March 31, 2017 because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows.

Particulars	As at March 31, 2018	Expiry date	As at March 31, 2017	Expiry date
Expire (Note below)	11,398.49	Refer below	11,944.49	Refer below
Never expire	4,335.77		4,110.24	

Year of Expiry Financial year ending March 31	As at March 31, 2018	As at March 31, 2017
2018	-	546.00
2019	1,647.40	1,647.40
2020	3,221.62	3,221.62
2021	2,357.49	2,357.49
2022	3,408.39	3,408.39
2023	420.11	420.11
2025	343.48	343.48
Total	**11,398.49**	**11,944.49**

8 Other tax assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance tax (net of provision for tax)	338.62	327.85	320.77
Total	**338.62**	**327.85**	**320.77**

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

9 Other non-current assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with government authorities	70.83	164.51	64.49
Less: Provision for doubtful receivables	(22.43)	-	-
Prepayments	14.91	25.82	21.98
Total	**63.31**	**190.33**	**86.47**

10 Inventories

(valued at the lower of cost and net realisable value)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw material and components *	1,812.92	1,043.82	1,211.77
Work in progress	2,312.03	2,611.10	1,534.22
Finished goods	150.86	1,160.83	830.44
Stores, spares and consumables	86.55	67.47	73.25
Total	**4,362.36**	**4,883.22**	**3,649.68**
Less: Provision for inventories	(64.19)	(172.31)	(129.03)
Total	**4,298.17**	**4,710.91**	**3,520.65**

* Includes goods in transit of Rs. 50 lakhs (March 31, 2017: Rs. Nil, April 1, 2016 : Rs. Nil)

In the year ended March 31, 2018, the write-down of inventories to net realisable value amounted to Rs. Nil (March 31, 2017: Rs. 6.96 lakhs, April 1, 2016: Rs. 21.63 lakhs).

11 Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade receivables			
Secured, considered good (Refer note 36)	401.86	401.86	501.86
Unsecured, considered good	7,547.35	5,537.69	5,442.35
Doubtful	948.24	915.29	798.35
	8,897.45	**6,854.84**	**6,742.56**
Less: Loss allowance for doubtful receivables (Refer note below)	(948.24)	(915.29)	(798.35)
Net trade receivables	**7,949.21**	**5,939.55**	**5,944.21**

Note: The above amount is net of bad debts aggregating to Rs. 111.94 lakhs (March 31, 2017 : Rs. Nil, April 01, 2016: Rs. 726.59 lakhs).

For trade reeivables from related parties, refer note 33.

The Company's exposure to credit risks and loss allowances related to trade receivables are disclosed in note 29.

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

12 (i) Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash and cash equivalents:			
Cash in hand	-	0.03	0.05
Bank balances			
- on current accounts	229.83	116.74	37.39
- on cash credit accounts	216.01	93.73	171.89
- on deposit accounts (with original maturity of 3 months or less)	-	-	1,410.45
Total	**445.84**	**210.50**	**1,619.78**

(ii) Other bank balances

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposit accounts with maturity up to twelve months*	824.62	809.12	722.36
Total	**824.62**	**809.12**	**722.36**

* Under lien with banks

13 Other current financial assets

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
To parties other than related parties			
Interest accrued on deposits	33.74	28.73	13.53
Unbilled revenue	16.15	14.53	102.16
To related parties			
Receivable from the holding company	-	-	68.73
Total	**49.89**	**43.26**	**184.42**

14 Other current assets

(unsecured, considered good)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Prepayments	50.13	80.70	59.20
GST receivable / Cenvat credit receivable	772.91	674.32	728.09
VAT receivable	-	-	20.53
Service tax credit receivable	-	514.06	533.32
Staff advances	56.37	46.58	39.89
Advance to suppliers	155.96	271.87	379.87
Others	11.39	14.48	0.95
Total	**1,046.76**	**1,602.01**	**1,761.85**

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

15 Assets held for sale

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Freehold land	87.18	50.76	-
Building	452.11	452.11	-
Total	**539.29**	**502.87**	**-**

During the year 2017, the Board of Directors had approved the shifting of the business operations from one manufacturing location to another. Free hold Land and Building classified as held for sale during the reporting period March 31, 2017 was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification and as at March 31, 2017. These assets are not considered for active use. As at March 31, 2018 such assets includes freehold land amounting to Rs. 36.42 lakhs for which the Company has obtained the perfection of title during the year. At March 31, 2018, the assets held for sale has been stated at carrying amount being lower than fair value less costs to sell.

16 A. Share capital

a The details of authorised, issued, subscribed and paid up share capital is as under:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Authorised			
15,300,000 (March 31,2017: 15,300,000 and April 1, 2016: 15,300,000) Equity Shares of Rs.10 each	1,530.00	1,530.00	1,530.00
Issued, subscribed and paid up			
10,620,000 (March 31,2017: 10,620,000 and April 1, 2016: 10,620,000) Equity Shares of Rs.10 each fully paid up	1,062.00	1,062.00	1,062.00

b Reconciliation of the shares outstanding at the beginning and at the end of the year is as under:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount	Number of shares	Amount
At the commencement and at the end of the year	10,620,000	1,062.00	10,620,000	1,062.00

c Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder in a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. During the year ended March 31, 2018, the Company has not declared any dividend.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

d Shares held by holding company and / or their subsidiaries / associates

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each fully paid up held by: Prolec GE Internacional, S de R.L de C.V., Mexico, the holding Company	7,895,625	789.56	7,895,625	789.56	7,895,625	789.56

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

e Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares	% of total shares in the class
Equity shares of Rs. 10 each fully paid up held by: Prolec GE Internacional, S de R.L de C.V., Mexico, the holding Company	7,895,625	74.35%	7,895,625	74.35%	7,895,625	74.35%

B. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. It sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

17 Other Equity

a. Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013

b. Capital reserve

Capital reserve represents the subvention (voluntary, non-repayable financial grant) of US$ 25 million (Rs. 14,912.50 lakhs) received from the holding company, Prolec GE.

c. General reserve

General reserve is the accumulation of retained earnings of the Company, apart from the statement of profit and loss balance, which is utilised for meeting future obligations.

d. Other Comprehensive Income

Remeasurements of defined benefit liability comprises of actuarial gains / losses and return on plan assets (excluding interest income).

18 Provisions

Particulars	Non-Current			Current		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits						
Gratuity	91.53	24.61	55.13	-	-	-
Compensated absences	42.90	30.02	5.53	11.42	6.60	1.20
	134.43	**54.63**	**60.66**	**11.42**	**6.60**	**1.20**
Other provisions (Refer note 18(b))						
Provision for warranty	-	43.85	82.95	190.87	112.65	91.74
Provision for income tax	-	-	-	-	348.63	-
Provision for others	-	-	-	14.17	14.17	14.17
	-	**43.85**	**82.95**	**205.04**	**475.45**	**105.91**
Total	**134.43**	**98.48**	**143.61**	**216.46**	**482.05**	**107.11**

Notes to financial statements for the year ended March 31, 2018

(All amounts are in Indian Rupees lakhs, except share data or as stated)

(a) Provisions for employee benefits

For details about the related employee benefit expense, Refer note 25.

The Company operates the following post-employment defined benefit plans.

Gratuity: The Company has a defined benefit gratuity plan, governed by the Payment of Gratuity Act, 1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The gratuity plan is a funded plan and the Company makes contributions to a fund managed by the LIC. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

A. Funding

The gratuity plan is fully funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding of Plan is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (D). Employees do not contribute to the plan.

B. Reconciliation of the net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	251.17	213.36
Benefits paid	(13.17)	(17.86)
Current service cost	23.82	19.89
Past service cost	2.33	-
Interest cost	17.52	17.37
Actuarial (gains) losses recognised in other comprehensive income		
changes in financial assumptions	(18.08)	11.32
experience adjustments	56.44	7.09
Balance at the end of the year	**320.03**	**251.17**

Reconciliation of the present value of plan assets		
Balance at the beginning of the year	226.56	158.23
Contributions paid into the plan	-	73.29
Benefits paid	(13.17)	(17.86)
Interest income	16.07	12.22
Return on plan assets recognised in other comprehensive income	(0.96)	0.68
Balance at the end of the year	**228.50**	**226.56**

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

C. (i) Expense recognised in profit or loss

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Current service cost	23.82	19.89
Past service cost	2.33	-
Interest cost	17.52	17.37
Interest income	(16.07)	(12.22)
Net gratuity costs recognised in profit or loss	**27.60**	**25.04**

(ii) Remeasurements recognised in other comprehensive income

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Actuarial (gain) loss on defined benefit obligation	38.36	18.41
Return on plan assets excluding interest income	0.96	(0.68)
Total	39.32	17.73

D. Defined benefit obligation

(i) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Discount rate	7.90%	7.35%	7.80%
Long term rate of compensation increase	7.00%	7.00%	7.00%
Estimated rate of return on plan assets	7.50%	7.50%	8.00%

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at March 31, 2018		As at March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(15.14)	16.38	(12.53)	13.59
Future salary growth (0.50% movement)	16.44	(15.33)	13.13	(12.33)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Movements in other provisions

Particulars	Warranty			Others		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
At the commencement of the year	156.50	174.69	137.93	14.17	14.17	14.17
Provision made during the year	104.81	70.47	92.23	-	-	-
Provision utilised during the year	-	-	-	-	-	-
Unutilised provision written back during the year	70.44	88.66	55.47	-	-	-
At the end of the year	**190.87**	**156.50**	**174.69**	**14.17**	**14.17**	**14.17**

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

Provision for warranties: A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of a technical evaluation and past experience regarding failure trends of products and costs of rectification or replacement. The provision for warranty is maintained over the period of the warranty, as per the terms of the contract.

Provision for income tax :During the year 2016-17, the Company had filed an application for settlement under 'The Direct Tax Dispute Resolution Scheme, 2016' to facilitate quick resolution of certain tax disputes relating to earlier years. Provision for income tax represents the tax expense of Rs. 220.65 lakhs, interest expense of Rs. 72.81 lakhs (included in Note 26) and penalty of Rs. 55.16 lakhs (included in Note 28) accrued based on such settlement.

Provision for others: This represents provisions made for probable liabilities / claims arising out of pending disputes / litigations with customs authorities. Timing of outflow of resources will depend upon timing of decision of cases.

19 Current Financial liabilities

(i) Trade payables

Particulars	As at Mar 31, 2018	As at March 31, 2017	As at April 1, 2016
Dues to micro and small suppliers (Refer note 32)	1182.27	-	-
Dues to others	4353.22	3,827.38	4,185.96
Total	**5,535.49**	**3,827.38**	**4,185.96**

All trade payables are 'current'. For trade payable from related parties, refer note 33.
The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 29.

(ii) Other financial liabilities

Particulars	As at Mar 31, 2018	As at March 31, 2017	As at April 1, 2016
Amount payable towards Investor Education and Protection Fund	-	-	3.82

20 Other current liabilities

Particulars	As at Mar 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance from customers	1,433.51	1,563.39	1,172.05
Employees benefits payable	104.68	113.44	90.24
Statutory dues payable	33.77	148.73	79.24
Total	**1,571.96**	**1,825.56**	**1,341.53**

21 Revenue from operations

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of products (including excise duty)		
Manufactured goods	21,907.24	16,019.13
Total sale of products (A)	**21,907.24**	**16,019.13**
Sale of services		
Freight and insurance	405.22	167.03
Labour services	222.39	131.09
Others	1.21	1.28
Total sale of services (B)	**628.82**	**299.40**
Other operating revenues (C)	**25.15**	**93.53**
Total revenue from operations (A+B+C)	**22,561.21**	**16,412.06**

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

22 Other income

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income under effective interest method on;		
Cash and cash equivalents, other bank balances and bank deposit	69.57	87.99
Deposits remeasured at amortised cost	17.57	13.60
Income from power generation	21.30	22.78
Profit on sale of Property, plant and equipment	6.24	4.17
Liabilities / provisions no longer required written back	332.02	11.74
Miscellaneous income	8.38	38.22
Total	**455.08**	**178.50**

23 Cost of materials consumed

(including stores and spares)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Inventory of materials at the beginning of the year	1,111.29	1,285.02
Add: Purchases	16,950.17	12,210.00
Less: Inventory of materials at the end of the year	1,899.47	1,111.29
Total	**16,161.99**	**12,383.73**

24 Changes in inventories of finished goods and work-in-progress

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening inventory		
Finished goods		
Transformers	1,160.83	830.44
Work-in-progress		
Transformers under production	2,611.10	1,534.22
	3,771.93	**2,364.66**
Closing inventory		
Finished goods		
Transformers	150.86	1,160.83
Work-in-progress		
Transformers under production	2,312.03	2,611.10
	2,462.89	**3,771.93**
Changes in inventories of finished goods and work-in-progress	**1,309.04**	**(1,407.27)**

25 Employee benefits expense

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, wages and bonus	1,576.98	1,487.84
Contribution to provident and other funds	129.53	88.51
Expenses related to post-employement defined benefit plans (Refer note 18)	27.60	25.04
Staff welfare expenses	100.74	96.20
Total	**1,834.85**	**1,697.59**

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

26 Finance costs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest expense	46.72	117.15
Total	**46.72**	**117.15**

27 Depreciation and amortisation

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of Property, plant and equipment (refer note 4)	473.11	479.43
Amortisation of intangible assets (refer note 5)	0.84	2.21
Total	**473.95**	**481.64**

28 Other expenses

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Rent	10.53	22.47
Excise duty related to increase in inventory of finished goods	(150.08)	46.56
Rates and taxes	123.58	195.11
Power and fuel	229.00	207.72
Repairs and maintenance:		
- Buildings	93.78	107.31
- Plant and machinery	66.90	96.68
- Others	20.01	20.28
Contract labour	268.74	186.02
Factory expenses	273.80	198.94
Insurance	19.01	49.23
Printing and stationery	13.23	17.93
Travelling and conveyance	196.08	170.47
Communication expenses	14.10	17.47
Professional and legal charges	170.52	189.14
Payment to auditors (refer note below)	37.64	34.98
Directors' sitting fees	4.20	3.80
Advertisement and sales promotion	17.59	12.51
Agency commission	623.61	427.11
Freight outward	482.76	296.69
Bank charges	183.75	193.93
Provision for doubtful debts, net	144.89	31.15
Provision for doubtful loans and advances	22.43	-
Bad debts written off	-	10.28
Provision for inventories	-	43.28
Foreign exchange loss, net	1.28	26.27
Warranty cost, net	68.17	(2.52)
General expenses	80.04	90.29
Total	**3,015.58**	**2,693.10**

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

Note: Payment to auditors (excluding tax)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
As Auditor		
Statutory audit	17.50	14.50
Tax audit	3.50	3.50
Limited review of quarterly results	9.00	7.00
Corporate Governance	1.50	1.50
Reimbursement of expenses	6.14	8.48
Total	**37.64**	**34.98**

29 Financial instruments - Fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount as at March 31, 2018			Fair value
	Other financial assets- amortised cost	Other financial liabilities	Total	Level 3
Financial assets measured at fair value				
Deposits	173.47	-	173.47	173.47
Financial assets not measured at fair value				
Trade receivables	7,949.21	-	7,949.21	
Cash and cash equivalents	445.84	-	445.84	
Other bank balances	824.62	-	824.62	
Unbilled revenue	16.15	-	16.15	
Bank deposits	75.48	-	75.48	
Interest accrued	33.74	-	33.74	
Total financial assets	**9,518.51**	**-**	**9,518.51**	
Financial liabilities not measured at fair value				
Trade Payables	-	(5,535.49)	(5,535.49)	
Total financial liabilities	**-**	**(5,535.49)**	**(5,535.49)**	

	Carrying amount as at March 31, 2017			Fair value
	Other financial assets- amortised cost	Other financial liabilities	Total	Level 3
Financial assets measured at fair value				
Deposits	218.76	-	218.76	218.76
Financial assets not measured at fair value				
Trade receivables	5,939.55	-	5,939.55	
Cash and cash equivalents	210.50	-	210.50	
Other bank balances	809.12	-	809.12	
Unbilled revenue	14.53	-	14.53	
Bank deposits	29.78	-	29.78	
Interest accrued	28.73	-	28.73	
Total financial assets	**7,250.97**	**-**	**7,250.97**	
Financial liabilities not measured at fair value				
Trade Payables	-	(3,827.38)	(3,827.38)	
Total financial liabilities	**-**	**(3,827.38)**	**(3,827.38)**	

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

	Carrying amount as at April 1, 2016			Fair value
	Other financial assets- amortised cost	Other financial liabilities	Total	Level 3
Financial assets measured at fair value	221.65	-	221.65	221.65
Deposits				
Financial assets not measured at fair value				
Trade receivables	5,944.21	-	5,944.21	
Cash and cash equivalents	1,619.78	-	1,619.78	
Other bank balances	722.36	-	722.36	
Unbilled revenue	102.16	-	102.16	
Bank deposits	139.36	-	139.36	
Interest accrued	13.53	-	13.53	
Other receivables	68.73		68.73	
Total financial assets	**8,831.78**	**-**	**8,831.78**	
Financial liabilities not measured at fair value				
Trade Payables	-	(4,185.96)	(4,185.96)	
Amount payable towards Investor Education and Protection Fund	-	(3.82)	(3.82)	
Total financial liabilities	**-**	**(4,189.78)**	**(4,189.78)**	

Note: The Company has not disclosed fair values of financial instruments such as trade receivables and related unbilled revenue, cash and bank balances, bank deposit, interest accrued, other receivables, trade payables and amount payable towards Investor Education and Protection Fund (that are short term in nature), because their carrying amounts are reasonable approximations of their fair values. Such items have been classified under amortised costs in the above table.

The fair values for deposits are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk (See B(ii))

- Liquidity risk (See B(iii)) and

- Market risk (See B(iv))

(i) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

(ii) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables, deposits and other financial assets.

The carrying amount of financial assets represents the maximum credit exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables and other financial assets.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including end-user customers, industry, trading history with the Company and existence of previous financial difficulties.

Expected credit loss assessment for customers as at April 1, 2016, March 31, 2017 and March 31, 2018

The Company based on internal assessment which is driven by the historical experience / current facts available in relation to default and delays in collection thereof uses an allowance matrix to measure the expected credit loss of trade receivables. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables;

	March 31, 2018			March 31, 2017			April 1, 2016		
Particulars	**Gross carrying amount**	**Weighted-average loss rate**	**Loss allowance**	**Gross carrying amount**	**Weighted-average loss rate**	**Loss allowance**	**Gross carrying amount**	**Weighted-average loss rate**	**Loss allowance**
Current (not past due)	3,785.44	0.48%	17.99	2,724.51	3.18%	86.53	2066.1	3.77%	77.96
1-90 days past due	588.03	5.11%	30.02	413.84	4.96%	20.53	977.87	5.96%	58.32
More than 90 days past due	4,523.98	19.90%	900.23	3,716.49	21.75%	808.23	3698.59	17.90%	662.07
Total	**8,897.45**		**948.24**	**6,854.84**		**915.29**	**6,742.56**		**798.35**

Movements in the allowance for impairment in respect of trade receivables and loans

The movement in the allowance for impairment in respect of trade receivables and loans is as follows:

Particulars	**2018**	**2017**
Balance at 1 April	915.29	798.35
Amounts written off	(111.94)	-
Net remeasurement of loss allowance	144.89	116.94
Balance at 31 March	948.24	915.29

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, including contractual interest but excluding impact of netting agreements.

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

As at March 31, 2018

		Contractual cash flows		
Particulars	**Carrying amount**	**Total**	**1 year or less**	**More than 1 year**
Trade payables	5,535.49	5,535.49	5,535.49	-
Total	**5,535.49**	**5,535.49**	**5,535.49**	**-**

As at March 31, 2017

		Contractual cash flows		
Particulars	**Carrying amount**	**Total**	**1 year or less**	**More than 1 year**
Trade payables	3,827.38	3,827.38	3,827.38	-
Total	**3,827.38**	**3,827.38**	**3,827.38**	**-**

As at April 1, 2016

		Contractual cash flows		
Particulars	**Carrying amount**	**Total**	**1 year or less**	**More than 1 year**
Trade payables	4,185.96	4,185.96	4,185.96	-
Unpaid dividend	3.82	3.82	3.82	
Total	**4,189.78**	**4,189.78**	**4,189.78**	**-**

(iv) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The Company is domiciled in India and has its majority of revenues and other transactions in its functional currency i.e. Rs. Accordingly the Company is not exposed to any high currency risk.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency. The currencies in which these transactions are primarily denominated is USD.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk are as follows:

Particulars	**As at March 31, 2018**	**As at March 31, 2017**	**As at April 1, 2016**
	USD	**USD**	**USD**
Trade and other receivables	125.97	138.73	82.12
Trade and other payables	(19.12)	(14.51)	(32.51)
Net exposure in respect of recognised assets and liabilities	**106.85**	**124.22**	**49.61**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR against US dollar as at March 31 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2018				
USD (1% movement)	(1.07)	1.07	(1.07)	1.07
March 31, 2017				
USD (1% movement)	(1.24)	1.24	(1.24)	1.24

30 Explanation of transition to Ind AS

As stated in Note 2(a), these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended March 31, 2017, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 3 have been applied in preparing these financial statements for the year ended March 31, 2018 including the comparative information for the year ended March 31, 2017 and the opening consolidated Ind AS balance sheet on the date of transition i.e. April 1, 2016.

In preparing its Ind AS balance sheet as at April 1, 2016 and in presenting the comparative information for the year ended March 31, 2017, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Optional exemptions availed and mandatory exceptions

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A. Optional exemptions availed

1. Property, plant and equipment and intangible assets

As per Ind AS 101 an entity may elect to use carrying values of property, plant and equipment and intangible assets as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment and intangible assets.

B. Mandatory exceptions

1. Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:
- Impairment of Financial Assets based on the expected credit Loss model.
- Determination of the discounted value for Financial instruments carried at amortised cost.

Notes to financial statements for the year ended March 31, 2018

(All amounts are in Indian Rupees lakhs, except share data or as stated)

2. Derecognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition principles of Ind AS 109 prospectively from the date of transition to Ind AS.

3. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

Reconciliation of equity

	Note	As at date of transition April 1, 2016			As at March 31, 2017		
		Previous GAAP*	Adjustment on transition to Ind AS	Ind AS	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
Assets							
Non-current assets							
Property, plant and equipment		6,214.85	-	6,214.85	5,429.32	-	5,429.32
Capital work in progress		3.82	-	3.82	1.61	-	1.61
Intangible assets		5.75	-	5.75	36.42	-	36.42
Financial assets						-	
Deposits	a	262.11	(40.46)	221.65	266.11	(47.35)	218.76
Other financial asset		139.36	-	139.36	29.78	-	29.78
Deferred tax assets		-	-	-	-	-	-
Other tax assets		320.77	-	320.77	327.85	-	327.85
Other non-current assets	a	64.49	21.98	86.47	164.51	25.82	190.33
Total non-current assets		**7,011.15**	**(18.48)**	**6,992.67**	**6,255.60**	**(21.53)**	**6,234.07**
Current assets							
Inventories		3,520.65	-	3,520.65	4,710.91	-	4,710.91
Financial assets							
Trade receivables	c	6,460.71	(516.50)	5,944.21	5,974.26	(34.71)	5,939.55
Cash and cash equivalents		1,619.78	-	1,619.78	210.50	-	210.50
Other bank balances		722.36	-	722.36	809.12	-	809.12
Other financial asset		184.42	-	184.42	43.26	-	43.26
Other current assets	a	1,750.11	11.74	1,761.85	1,587.41	14.60	1,602.01
Total current assets		**14,258.03**	**(504.76)**	**13,753.27**	**13,838.33**	**(20.11)**	**13,818.22**
Assets held for sale		-	-	-	502.87	-	502.87
Total assets		**21,269.18**	**(523.24)**	**20,745.94**	**20,093.93**	**(41.64)**	**20,052.29**
Equity and liabilities							
Equity							
Equity share capital		1,062.00	-	1,062.00	1,062.00	-	1,062.00
Other equity	a,c,d	14,425.15	(523.24)	13,901.91	12,798.46	(41.64)	12,756.82

Notes to financial statements for the year ended March 31, 2018

(All amounts are in Indian Rupees lakhs, except share data or as stated)

Reconciliation of equity (Contd.)

	Note	As at date of transition April 1, 2016			As at March 31, 2017		
		Previous GAAP*	Adjustment on transition to Ind AS	Ind AS	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
Total equity		**15,487.15**	**(523.24)**	**14,963.91**	**13,860.46**	**(41.64)**	**13,818.82**
Liabilities							
Non-current liabilities							
Provisions		143.61	-	143.61	98.48	-	98.48
Total non-current liabilities		**143.61**	**-**	**143.61**	**98.48**	**-**	**98.48**
Current liabilities							
Financial Liabilities							
Trade payables		4,185.96	-	4,185.96	3,827.38	-	3,827.38
Other financial liabilities		3.82	-	3.82	-	-	-
Provisions		107.11	-	107.11	482.05	-	482.05
Other current liabilities		1,341.53	-	1,341.53	1,825.56	-	1,825.56
Total current liabilities		**5,638.42**	**-**	**5,638.42**	**6,134.99**	**-**	**6,134.99**
Total liabilities		**5,782.03**	**-**	**5,782.03**	**6,233.47**	**-**	**6,233.47**
Total Equity and liabilities		**21,269.18**	**(523.24)**	**20,745.94**	**20,093.93**	**(41.64)**	**20,052.29**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Note	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
Revenue from operations	b	14,880.73	1,531.33	16,412.06
Other income	a	164.89	13.61	178.50
Total income		**15,045.62**	**1,544.94**	**16,590.56**
Expenses				
Cost of materials consumed		12,383.73	-	12,383.73
Changes in inventories of finished goods and work-in-progress		(1,407.27)	-	(1,407.27)
Excise duty	b	-	1,531.33	1,531.33
Employee benefits expense		1,715.32	(17.73)	1,697.59
Finance costs	a	103.33	13.82	117.15
Depreciation and amortization expense		481.64	-	481.64
Other expenses	c	3,174.91	(481.81)	2,693.10
Total expenses		**16,451.66**	**1,045.61**	**17,497.27**
Loss before tax		(1,406.04)	499.33	(906.71)
Tax expenses:				
Current tax relating to earlier years		220.65	-	220.65
Loss for the year		**(1,626.69)**	**499.33**	**(1,127.36)**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit liability		-	(17.73)	(17.73)
Total comprehensive income for the year	d	**(1,626.69)**	**481.60**	**(1,145.09)**
Earnings per equity share:				
- Basic		(15.32)		(10.62)
- Diluted		(15.32)		(10.62)

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes to financial statements for the year ended March 31, 2018

(All amounts are in Indian Rupees lakhs, except share data or as stated)

Reconciliation of total equity as at March 31, 2017 and April 1, 2016

Particulars	Notes	As at March 31, 2017	As at April 1, 2016
Total equity (shareholder's fund) as per previous GAAP		13,860.46	15,487.15
Adjustments:			
Fair valuation of deposits	a	(6.93)	(6.74)
Loss allowance on trade receivables as per Ind AS 109	c	(34.71)	(516.50)
Total adjustments		**(41.64)**	**(523.24)**
Total equity as per Ind AS		**13,818.82**	**14,963.91**

Reconciliation of total comprehensive income for the year ended March 31, 2017

Particulars	Notes	March 31, 2017
Profit after tax as per previous GAAP		(1,626.69)
Adjustments:		
Remeasurement of post employment benefit obligations	d	17.73
Fair valuation of deposits	a	(0.21)
Reversal of loss allowance on trade receivables	c	481.81
Total adjustments		**499.33**
Profit after tax as per Ind AS		**(1,127.36)**
Other comprehensive income	d	**(17.73)**
Total comprehensive income as per Ind AS		**(1,145.09)**

Statement of Cash Flows

Other than effect of certain reclassifications due to difference in presentation, there was no other material effect of cash flow from operating, financing, investing activities for all periods presented.

Notes to the reconciliations

a. Adjustment arising from fair valuation of interest free earnest money deposits

Under the previous GAAP, interest free earnest money deposits advanced for various tenders and projects usually spanning over a period of 2 to 10 years was presented at its transaction value. However, as per Ind AS 109 Financial Instruments, such interest free deposits are measured at its fair value at the time of its initial recognition. The difference between the initial fair value and the transaction value of deposit is considered as a prepayment made which is straightlined over the period of the term / expected date of refund. Such deposits are fair valued at the end of each period based upon Company's borrowing rates and an interest expense is recognised in the statement of profit and loss.

The Company has fair valued such interest free deposits as at the April 1, 2016 with an impact to opening reserves amounting to Rs. 6.74 lakhs and recognition of prepayments amounting to Rs. 73.03 lakhs. During the year ended March 31, 2017, the Company has recognised interest income on fair valuation of such deposit amounting to Rs. 13.60 lakhs and an interest expense of Rs. 13.81 lakhs on account of passage of time.

b. Excise duty

Under previous GAAP, revenue from sale of goods was presented net of the excise duty on sales. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. Excise duty is presented in the Statement of Profit and Loss as an expense. This has resulted in an increase in the revenue from operations and expenses for the year ended March 31, 2017. The total comprehensive income for the year ended and equity as at March 31, 2017 has remained unchanged.

The impact arising from the change is summarised as follows:

Particulars	Year ended March 31, 2017
Revenue from operations	14,880.73
Excise duty	1,531.33
	16,412.06

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

c. Loss allowance

On transition to Ind AS, the Company has recognised impairment loss on trade receivables measured at amortised cost on the expected credit loss model as required by Ind AS 109. Consequently, trade receivables measured at amortised cost have been reduced with a corresponding decrease in retained earnings on the date of transition and there has been a reduction in provision for the year ended March 31, 2017.

The impact arising from the change is summarised as follows:

Particulars	Year ended March 31, 2017
Statement of profit and loss	
Loss allowance on trade receivables	(481.81)
Adjustment before income tax	**(481.81)**

Particulars	April 1, 2016	March 31, 2017
Balance sheet		
Trade receivables	(516.50)	(34.71)
Adjustment to retained earnings	**(516.50)**	**(34.71)**

d. Actuarial gain and loss

Under previous GAAP the Company recognised actuarial gains and losses in profit or loss. Under Ind AS, all actuarial gains and losses are recognised in other comprehensive income. However, this has no impact on the total equity as on April 1, 2016 or as on March 31, 2017.

The impact arising from the change is summarised as follows:

Particulars	Year ended March 31, 2017
Statement of profit and loss	
Employee benefits expense	(17.73)
	(17.73)
Other comprehensive income	
Remeasurement of defined benefit liability/ (assets)	17.73
	17.73

Income tax

Considering the brought forward loss and unabsorbed depreciation, the above adjustments will have no impact on the tax expense and the net deferred tax asset / liability.

31 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2018	As at March 31, 2017
Contingent liabilities:		
(a) Claims against the company not acknowledged as debt		
Disputed sales tax / income tax / service tax (refer Note below)	309.71	313.15

Notes:

Sales tax - During the year 2011-2012, the Company had received sales tax assessment orders raising demand of Rs. 14.21 lakhs and Rs. 14.41 lakhs for FY 2005-06 and FY 2006-07 respectively. The Company had paid Rs. 25 lakhs (under protest) against these orders. Any liability in respect of these orders will be met by the ex-promoters to the benefit of the Company.

Notes to financial statements for the year ended March 31, 2018

(All amounts are in Indian Rupees lakhs, except share data or as stated)

32 The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2018 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at March 31, 2018	As at March 31, 2017
The amounts remaining unpaid to micro and small suppliers at the end of the year		
- Principal	1,182.27	-
- Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of payment made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

33 Related party transactions

Names of related parties with whom controls exists and nature of relationship are as follows:

Nature of relationship	Name of the related party
Ultimate holding company	Xignux S.A. de C.V., Mexico
Holding Company	Prolec GE Internacional, S de R.L de C.V., Mexico
Fellow subsidiary	Prolec S.A. de C.V., Mexico
Key management personnel	Mr. Ajay Kumar Sinha (CEO till November 28, 2017 and Whole Time Director w.e.f November 29, 2017) Mr. Milagiripattu Sundaravaradan Srinivasan, Independent Director Mr. Indraneel Dutt, Director (Until November 29, 2017) Mr. Pallavur Venkateswaran Krishna, Independent Director Ms. Tabassum Mustafa Wajid, Independent Director Mr. Ricardo Garza Suarez, Director Mr. Ranganathan Vishwanathan, Director (From April 12, 2016 until September 06, 2017)

Other related parties with whom transactions have taken place

Nature of relationship	Name of the related party
Subsidiary of material equity investor in the holding company"	GE India Industrial Private Limited GE T&D India Limited GE Power Controls Italia Srl PT GE Operations Indonesia Alstom Grid Australia Pty Limited

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

Details of related party transactions (Refer note 36)

Nature of transaction	Year ended March 31, 2018	Year ended March 31, 2017
Re-imbursement of expenses		
Prolec GE Internacional, S de R.L de C.V., Mexico	-	17.26
Agency commission		
GE India Industrial Private Limited	623.61	427.11
Service cost paid accrued		
GE India Industrial Private Limited	43.50	43.50
Sale of goods		
GE India Industrial Private Limited	35.68	-
GE T&D India Limited	-	496.74
GE Power Controls Italia Srl	2.19	870.86
Alstom Grid Australia Pty Limited	1.91	-
Sale of services		
GE India Industrial Private Limited	0.38	-
GE T&D India Limited	0.35	6.00
GE Power Controls Italia Srl	17.76	-
PT GE Operations Indonesia	4.62	3.63
Purchases of goods		
GE T&D India Limited	80.79	164.45
GE India Industrial Private Limited	-	4.00
Managerial remuneration (Mr. Ajay Kumar Sinha)	64.48	60.90
Sitting Fees (Key management personnel)	4.20	3.80

Balances at year end	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balence due from			
GE India Industrial Private Limited	0.54	5.06	5.06
GE Power Controls Italia Srl	2.19	132.79	-
GE T&D India Limited	0.41	505.50	-
Prolec GE Internacional, S de R.L de C.V., Mexico	-	-	68.73
Balence due to			
GE India Industrial Private Limited	863.78	527.72	88.70
GE T&D India Limited	31.66	22.24	-

34 Earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Loss for the year, attributable to the equity holders	(369.42)	(1,127.36)
Weighted average number of equity shares	10,620,000	10,620,000
Earnings per equity share:		
- Basic	(3.48)	(10.62)
- Diluted	(3.48)	(10.62)

Notes to financial statements for the year ended March 31, 2018
(All amounts are in Indian Rupees lakhs, except share data or as stated)

35 Transfer pricing

The Company has transactions with related parties. For the financial year 2016-17, the Company has obtained the Accountant's Report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act, 1961 and has filed the same with the tax authorities. For the financial year 2017 -18, the management confirms that it maintains documents as prescribed by the Income-tax Act, 1961 to prove that these transactions are at arm's length considering the economic scenario, prevailing market conditions etc. and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

36 During the year ended March 31, 2017, and as renewed in the current year the Company has entered into an agreement with Prolec GE, whereby Prolec GE has assured the Company that they would make good the loss to the benefit of the Company in case certain identified customers do not pay or default in the payment of outstanding dues. In the earlier years, the Company had recorded provision on a portion of the total balance receivable from these identified customers. Based on the agreement, the balance outstanding from these customers has been presented as 'secured debtors'.

37 Disclosure of specified bank notes

During the previous year, the Company had specified bank notes or other denomination note as defined in the MCA Notification G.S.R 308(E) dated March 31, 2017 on the details of specified bank notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016. The denomination wise SBN and other notes as per the notification are given below:

Particulars	SBNs	Other denimonation Notes	Total
Closing cash in hand as on Nov 8, 2016	-	0.09	0.09
Add: Withdrawal from Bank accounts	-	0.10	0.10
Add: Receipts for permitted transactions	-	-	-
Less: Paid for permitted transactions	-	0.15	0.15
Less: Amount deposited in banks	-	-	-
Closing cash in hand as on December 30, 2016	-	**0.04**	**0.04**

For the purpose of this clause, the term specified bank note shall have the same meaning provided in the notification of the Government of India, the Ministry of Finance - Department of Economic Affairs No. S.O.3407 (E), dated November 8, 2016.

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. - 101248W/W-100022

Amar Sunder
Partner
Membership No.: 078305

Place: Chennai
Date : May 16, 2018

for and on behalf of the Board of Directors of
Indo Tech Transformers Limited

Ricardo Suarez Garza
Chairman
DIN: 07194157

Ajay Kumar Sinha
Director
DIN: 07972409

Abhishek Dalmia
Chief Financial Officer

Sathyamoorthy A
Company Secretary

Place: Chennai
Date : May 16, 2018

Notes

Notes

INDO TECH TRANSFORMERS LIMITED

CIN: L29113TN1992PLC022011

Regd. Off : Survey No.153-210, Illuppapattu Village Near Rajakulam,

Kancheepuram - 631561 Tamilnadu

web: www.prolecge.in

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 Shareholder :

Registered Address :

No. of Shares held : **Regd. Folio No. :**

DP ID No. : **Client ID No. :**

I/We being the Member(s) holding _____ shares of Indo Tech Transformers Limited hereby appoint:

_____ of _____ having E-mail ID _____ or failing him/her

_____ of _____ having E-mail ID _____ or failing him/her

_____ of _____having E-mail ID _____ is/are appointed as

my / our Proxy to attend and to vote (on poll) for me / us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on Tuesday, the August 14, 2018 at 2.30 P.M at Hotel Fairfield by Marriott, FSP, Mambakkam, Sriperumbudur, Kancheepuram District, Tamil Nadu 602105 and at any adjournment there of in respect of such resolutions as are indicated below.

Resolutions:

1) To consider and adopt the Audited Financial Statements and the Report of Directors and Auditors thereon
2) To appoint Director in place of Mr. Ricardo Suarez Garza (DIN: 07194157), who retires by rotation, being eligible offers himself for re-appointment
3) Appointment of Mr Anthony Vincent Benoit Allard as Director of the Company
4) Appointment of Mr Ajay Kumar Sinha as Director of the Company
5) Appointment of Mr Ajay Kumar Sinha as the Whole-Time Director of the Company
5) Approval of Related Party Transaction
6) Ratification of Remuneration of the Cost Auditor

Affix Re. 1 Revenue Stamp

Signed this……day of..…… 2018 Signature of Shareholder

Signature of first proxy holder Signature of second proxy holder Signature of third proxy holder

Note: An instrument appointing a Proxy shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting. A proxy need not be a member of the Company.

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ATTENDANCE SLIP-CUM-ENTRY PASS

(PLEASE FILL IN THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL)

Name of Member/Proxy :

Regd. Folio No. :

Client ID No. & DP ID No. :

No. of Shares held :

I certify that I am a Member / Proxy for the Member of the Company.

I hereby record my presence at the 26th Annual General Meeting of the Company held on Tuesday, the August 14, 2018 at 2.30 P.M at Hotel Fairfield by Marriott, FSP, Mambakkam, Sriperumbudur, Kancheepuram District, Tamil Nadu 602105.

_____

Signature of Member / Proxy

Note:

Please fill up the Attendance slip and hand it over at the entrance of the meeting hall.

Disclaimer

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

If undelivered please return to:

INDO TECH TRANSFORMERS LIMITED

Secretarial Department

Survey no.153-210, Illuppapattu Village,
Near Rajakulam, Kancheepuram (Dist.),
Tamilnadu-631561

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