EMC Limited
Spanning Power Globally
Since 1953

PROFITABILITY

ON-TIME EXECUTION

DIVERSIFICATION

LONG-TERM VALUE
CREATION FOR ALL
STAKEHOLDERS

SUSTAINABLE GROWTH

Annual Report 2011-12

SUSTAINABLE GROWTH

Every competition requires a trendsetter — a leader with the vision to see new horizons, the determination to achieve new goals, and the ability to rise above the field regardless of the hurdles ahead. At EMC, we focus on integrating sustainability thinking into every facet of the business lifecycle by persistently evaluating energy efficiency of the projects, improved resource use and our social responsibility.

Over the years, EMC has been able to stand strong, learn from changes in its environment and adopt the learning's to strengthen its fundamentals. Its inherent culture of learning, accustoming and strengthening has enabled the Company to transform the variation into opportunities leading to a more sustainable future. These strong foundations, along with a clear understanding of our clients' needs, ensure that we are well placed to maintain this growth.

The approach to deliver our vision is based on growth, productivity, responsibility and building a winning organization. Our inclusive, innovative and global approach enables our customers meet their power challenges on time and within budget. With our strong product portfolio and expertise in project execution, combined with our wide geographic spread, we continue to be very well placed to deliver sustainable growth.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Sunder Lal Dugar
Non-Executive Chairman

Mr. Manoj Toshniwal
Managing Director

Mr. Ramesh Chandra Bardia
Joint Managing Director

Mr. Suraj Mall Singhi
Non-Executive Independent Director

Mr. Saubir Bhattacharyya
Non-Executive Independent Director

Mr. Arun Kumar Dutta
Non-Executive Independent Director

Mr. Durga Prasad Sharma
Executive Director

COMPANY SECRETARY

Mr. Chandra Sekhar Adhikary

AUDITORS

SRB & Associates
Chartered Accountants

BANKERS

State Bank of India
Allahabad Bank
Punjab National Bank
UCO Bank
Corporation Bank
Central Bank of India

REGISTERED OFFICE

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E-mail: info@emcpower.com
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REGISTRAR & TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.,
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PERFORMANCE
AT A GLANCE

TURNOVER

₹ 1,206 CRORES

FY2011-12
₹ 1,206.27

FY2010-11
₹ 903.92

FY2009-10
₹ 654.96

EBITDA

₹ 110 CRORES

FY2011-12
₹ 110.09

FY2010-11
₹ 72.96

FY2009-10
₹ 45.16

PAT

₹ 57 CRORES

FY2011-12
₹ 56.92

FY2010-11
₹ 42.17

FY2009-10
₹ 24.28

PAT MARGIN %

4.72%

FY2011-12
4.72%

FY2010-11
4.67%

FY2009-10
3.71%

Q & A WITH MANAGING DIRECTOR

Q. How would you summarize FY11-12?

A. Fiscal 2011-12 was a defining year for EMC Limited for two reasons: First, it was about the continuous impetus for growth – we delivered strong results thanks to our execution and manufacturing capabilities. Secondly, it was about our strategy of diversification and focus on profitable growth that will yield dividends in the future and put us on a sustainable growth path. In short, EMC's growth remained robust.

Nonetheless, the year was challenging in the context of a global slowdown and the domestic economy on the brink of policy standstill, governance issues and cautious approach towards infrastructure spending. However we feel these issues along with the power sector's woes like coal supply, land acquisition and other bottlenecks would be addressed quickly.

The Company renewed its international ambitions with a firm start in the T&D export market by bagging some orders in Africa. According to the International Energy Association (IEA), world energy consumption should grow to 28,141 TWh from 15,665 TWh at 2.5% CAGR over 2006-30. Therefore, Interconnection and Transmission projects for new generation capacities and replacement demand should drive our growth in international markets in the next 5-7 years. Since we intend to scale up our international operations by seeking partners who will help us penetrate these markets faster, we are at an advanced stage to enter joint venture and majority equity ownership.

THE COMPANY POSTED
A TOP LINE GROWTH

₹ 1,206.27 CRORES

THE COMPANY
EXPANDED ITS CUSTOMER
BASE DURING THE YEAR
AND RECEIVED EXPORT
ORDERS WORTH

₹ 23.28 CRORES

Q. What are the key strengths of EMC's business?

A. Our integrated, innovative and global approach enables our customers meet their power transmission and distribution challenges on time and within budget. Our best-in-class technical and execution abilities allow us to execute turnkey projects from conception to commissioning effectively. Our enterprise strategy thrives on achieving unmatched value for synchronized deployment of resources at geographically dispersed locations. All our projects are executed in an advanced safety and environmental-friendly culture supported by efficient and economical technologies that ensure certainty of outcome. Additionally, our project delivery expertise enables us to provide superior value to all stakeholders.

In the current year, we bagged a huge ₹ 780 crores order from the PGCIL, for executing 765 kV D/C line of 410 kms from Tuticorin to Salem along with three associated substations. The order size proves that our customers recognize EMC's engineering capabilities and on time project execution capabilities.

Q. How did EMC perform financially in FY11-12?

A. The Company's commitment to improvement, progress and growth enabled us to deliver an excellent performance this year. We gave high returns to our stakeholders despite tough global conditions and a domestic socio-political crisis. The Company posted a top line of ₹ 1,206.27 crores, a growth of 33.78%, and profit after tax recorded 53.08% growth to ₹ 56.92 crores this year. The Company expanded its customer base during the year and received export orders worth ₹ 23.28 crores.

Q. Now that EMC's 5 MW solar plant at Naini is operational, what does this augur for the Company in the long-term?

A. Alternative energy and green power is the key to India's power requirements. We have made a small contribution to this cause by setting up this 5 MW solar plant as a responsible corporate citizen.

The National Solar Mission envisages a capacity addition of 22,000 MW by 2022. The Government of India targets a growth in renewable energy consumption of over 6% CAGR and a capacity addition of 18,500 MW during the 12th Five Year Plan. With most parts of the country receiving good solar radiations per day, India has a vast solar energy potential. The increase in renewable power generation, will help light up all rural communities. If the Government remains steadfast in promoting alternative energy, the sector holds a lot of promise.

Q. How do you view the role of the Indian Government in promoting the power sector?

A. Keeping in line with its promise of 'Power to all by 2012', the Government has remained focused on power sector reforms over the past few years. These efforts have resulted in increased investment in capacity addition, development of the country's transmission network, power trading and improved power distribution.

During the year, the country faced huge challenges in all spheres, especially in the power sector which was in news with the challenges like coal availability, environmental issues, land acquisition issues and deteriorating financial health of state distribution companies. Nevertheless, we believe the power sector's growth is inevitable and such hiccups will only go towards the framing of a more robust and transparent policy framework for the sector.

Some positive developments have already started happening in this direction: the Government scrapped the no-go policy after agreeing that the classification should not be the basis for clearance or rejection of coal blocks. In April 2011, MoEF following a specific 'Clustering and Boundary

THE GOVERNMENT OF INDIA TARGETS A GROWTH IN RENEWABLE ENERGY CONSUMPTION OF OVER

6% CAGR

Classification' agreed to free up 71% of the total area for mining resulting in freeing 449 blocks covering 3,80,000 hectares. Steps have also been taken to reduce huge losses incurred by distribution companies, over the past 18 months, 22 states have raised electricity tariffs ranging from 7-37%. Also Government has been planning to focus on Smart Grid Technology to reduce AT&C loss besides ensuring better availability and increasing reliability and quality of supply.

HUGE POWER GENERATION CAPACITY ADDITION IN INDIA OF **76 GW** IN THE 12TH PLAN

Further to above steps there is going to be huge power generation capacity addition in India of 76 GW & 93 GW in the 12th and 13th plan respectively. This capacity addition would also require a corresponding investment in transmission and distribution networks in India. And regulations are evolving and paving the way for greater private sector participation. So with Government schemes like Ultra Mega Power Projects (UMPP), Rajeev Gandhi Grameen Vidutikaran Yojana (RGGVY) and Restructured Accelerated Power Development and Reforms Programme (R-APDRP) to deliver power to all parts of the country, the business environment for the power segment especially for power transmission sector remains encouraging.

Q. What challenges does EMC foresee?

A. The power sector has undergone rapid transformation over the past few years and there are issues that need to be addressed urgently. A communal effort and collaborative approach is required to deal with these challenges, including issues like land acquisition, resource management, coal mines, reforms in distribution, economic visibility and other influencing factors.

Project delays are caused due to procedural setbacks, slow decision making process, delay in requisite timely clearances and challenges on policy front highlighted above. So there is a need to develop clear policies and regulatory procedures to avoid the risk of delaying the projects and overall plan. On its part, the industry needs to expand capacity to meet increased demand. The demand-supply gap can be significantly reduced if power generation, transportation and distribution is made more efficient through better and improved technology, upgrade of old infrastructure and sharp project execution. At EMC we

PEAK DEMAND AT THE END OF THE 12TH PLAN IS ESTIMATED AT

1,99,540 MW

have built capabilities to address these issues and our pan-India and global reach will help overcome such challenges.

Moreover, given our pan-India presence and a strong relationship with our customers, we look forward to contribute significantly to the country's progress and gain execution muscle to take on further challenges. In international territory, we will be present in markets that need T&D infrastructure both in new erection and replacement opportunities. We renewed our international focus and have already secured export orders from Africa and are now looking at other geographies like North America and Europe to increase our overseas business.

Q. Does EMC foresee sustainable growth opportunities in the future?

A. The Company expects investment in power sector in India to continue. In the 12th Five Year Plan, the government intends to add close to 76 GW of power generation capacity. This offers opportunities for developing evacuation capacities and supply-related OEMs and EPC. We are confident of sustainable profitable growth for the Company in the coming years on the back of a growing domestic economy and our comfortable order backlog position, potential to increase in exports, adequate manufacturing and engineering capabilities.

India's power sector is growing in tandem with the country's growth rate. The demand for power is growing rapidly and the scope for the growth of this sector is enormous: Peak demand at the end of the 12th Plan is estimated at 1,99,540 MW; by the end of the 13th Plan it would be about 2,83,470 MW. Numbers show that along with investments, the T&D sector's execution capabilities will be a key to closing the demand-supply gap in the next decade.

EMC's integrated project planning, focused approach, business and corporate governance practices will generate consistent and responsible profits, delivering enduring value to stakeholders. With a strong domestic client base and execution capability coupled with massive investment in the power T&D sector, I believe we are well-positioned to capitalize on the domestic opportunity.

Q. What are your plans for moving ahead in the EPC space?

A. In the domestic market, we see growth coming from growing and deepening our engagement with current customers. We have made inroads with State Electricity Boards which will help us diversify our customer base in coming times. We will also deepen our relationship with PGCIL, our biggest customer and look at increasing customer base internationally.

In the long-term, especially in international markets, strategic acquisitions & JVs with businesses that have synergy with current operations will contribute to the Company's inorganic growth. We believe in forming strategic alliances with other companies to be able to share risk and explore various opportunities in the sector. Profitable and sustained growth is the key to EMC's future and we are building a strong foundation on the pillars of knowledge, execution and service.

You, our valued shareholders and employees, have my assurance that EMC Limited is constantly reinforcing its management foundations for global growth. I am grateful for your unflinching support, confidence and belief in the Company's vision for the future. With well-wishers such as you, I firmly believe there are no frontiers in our quest for innovation and customer delight. Let us together grow EMC Limited to power India to new heights.

Regards,

Manoj Toshniwal

KEY TO EMC'S FUTURE

PROFITABLE AND SUSTAINED GROWTH

LONG-TERM VALUE CREATION
FOR ALL STAKEHOLDERS

We endure to deliver growth and create significant value for all our stakeholders on sustainable basis. We have pursued growth across all our businesses and aspects; constantly on the foundation that value must be delivered.

CUSTOMERS & PARTNERS

Through regular communication we work to understand how we can best serve the needs of our customers. We strive to establish strong liaison and partnership to steer through the opportunities and risks that impact our business. We focus on the opportunities that augment expansion for our Company and partners.

EMPLOYEES

We build an engaging culture, in which every employee is encouraged to grow to his or her full potential. We look for ways to align performance with incentives and to nurture long-term positive relationship with our workforce.

INVESTORS

We endeavor to communicate and report clearly to build trust with our investors, using continuing engagement to gather feedback that boosts our approach and performance. We have a lucid and steady strategy and an excellent management team that maintains sustainable growth and build shareholder value.

COMMUNITIES

We seek to capitalize on our positive economic and social impact by building strong relationship within our communities.

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

The current macro-economic environment is marked by a severe slowdown, followed by a weakening in investment activity. During FY11-12 India's economic policy was frayed between controlling inflation and maintaining strong economic growth. Currently, industry is more concerned about the high cost of capital and the manufacturing sector is showing signs of stagnation. The global economic outlook is still bleak with the risk of renewed recession in advanced economies and widespread financial crisis growing by the day.

According to the United Nations' annual economic report 'World Economic Situation and Prospects 2012', India's economic growth is expected to remain robust in 2012 and 2013, growing between 6.7-7.2% this year, despite the likely headwind of a double-dip recession in Europe and the US. With the long-term India growth story intact, we expect growth to resume soon.

GLOBAL SCENARIO

According to International Energy Agency (IEA), world primary energy consumption is projected to grow by 1.6% p.a. over the period 2010-30, adding 39% to global consumption by 2030. Power generation is expected to increase by 75%, rising from 20,183 TWh in 2008 to 27,400 TWh in 2020, and 35,300 TWh in 2035.

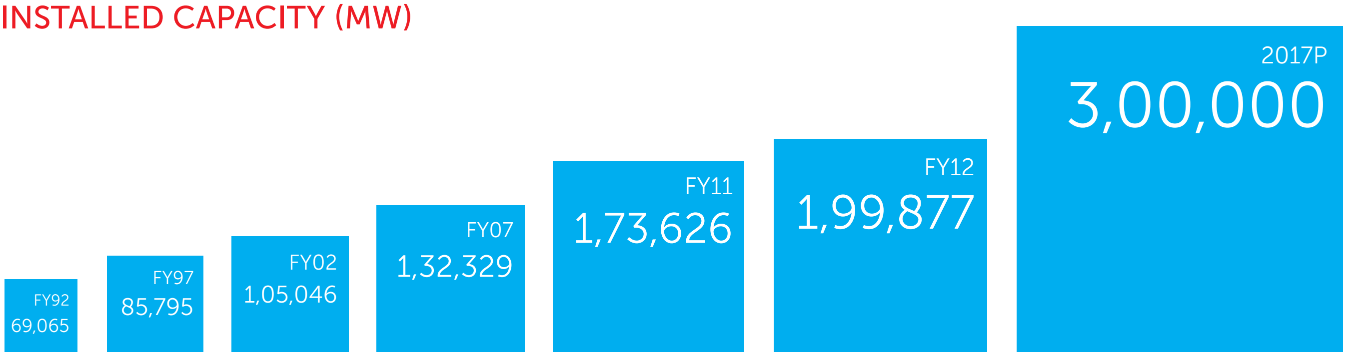
With a paradigm shift in the economies of developing nations like India, the world is keenly looking to them to define their future strategies. The Asia-Pacific region (especially India and China) are emerging as the fastest growing markets in the world. Indeed, with its intrinsic gap between demand and supply in the Energy sector coupled with volatile domestic industrial growth, India offers an exciting and potential market for EPC players.

POWER SCENARIO IN INDIA

Power is an important growth engine of the economy. The power/ energy sector is poised for big growth in the coming years. At present, India's power demand is rising by 8-10% per year, which translates into an additional demand of 20,000-25,000 MW each year. At the end of the 11th Five Year Plan i.e. 31st March, 2012, India's installed capacity stood at 1,99,877 MW. The 11th Plan witnessed extraordinary growth with the addition of 54,964 MW of fresh capacity, representing a growth of 159% compared to 10th Plan when 21,180 MW capacity was added. During 2011-12, 20,501 MW was added, of which 5,482 MW was added in March 2012 alone.

The Power Ministry has set a target to add 76,000 MW of electricity capacity in the 12th Plan (2012-17) and 93,000 MW in the 13th Five Year Plan (2017-22). The sector has seen aggressive capacity addition during the past two decades on the back of government initiatives.

INSTALLED CAPACITY (MW)



Source: CEA

INCREASED OUTLAY FOR CORE SECTORS

The Indian power sector is characterized by a shortage of supply vis-à-vis demand with the peak deficit hovering around 10% and energy shortage of around 8-9%. At the end of the 11th Five Year Plan (2011-12), the country was facing a peak deficit of 13,815 MW (10.6%) and energy shortage of 79,313 million units (8.5%). The energy and peak deficits have roughly in double digits recently and could widen further considering the huge demand of power from India's rising population and rapid industrialization and urbanization.

India has been able to grow at a steady pace in the recent past and to maintain this growth momentum we need sufficient investments in Infrastructure, Power and Petrochemical sectors, which play a major role in economic growth. The Government of India is focused on building infrastructure such as roads, bridges, airports, railways, ports etc. in conjunction with scaling up power generation capacity to ease the power deficit and increase domestic oil & gas production to decrease the high dependence on imports. In order to meet the growing demand for power, the government has undertaken a number of initiatives such as the National Electricity Policy, Ultra Mega Power Project Policy, Tariff Policy, National Electricity Fund etc.

AT THE END OF THE 11TH FIVE YEAR PLAN (2011-12), THE COUNTRY WAS FACING A PEAK DEFICIT OF

13,815 MW (10.6%)

EMC, being one of the EPC players with a presence across sectors, strong execution capabilities, superior technology and a long track record and experience, is expected to capitalize most from these looming opportunities.

GROWTH OPPORTUNITY

- T&D Capex – PGCIL has envisaged T&D capital expenditure of ₹ 1,00,000 crores for the 12th plan, 55% of which is expected to be deployed in transmission and substation projects, providing an array of opportunities to EMC which has a strong foothold in the T&D segment.

DURING FY06-FY11,
FDI INFLOWS INTO THE
SECTOR INCREASED FROM

USD 87 MILLION TO USD 1,252 MILLION

- **Policy Support/ Initiatives** – The Ministry of Power plans to establish an integrated National Power Grid in the country by 2012 to evacuate 2,00,000 MW of generation capacity and 37,150 MW of inter-regional power transfer capacity. Private participation in transmission introduced through Independent Power Transmission Company (IPTC) route both under the Central and State government sector. Also, it is focusing on competitive bidding and distance-and-direction based tariff envisaged by the National Tariff Policy.
- **Increased Investments** – During FY06-FY11, FDI inflows into the sector increased from USD 87 million to USD 1,252 million. There has also been an increase in the M&A activity in the sector and large investments have been made in equipment manufacture and power generation.

POWER TRANSMISSION

The Transmission sector plays a key role in facilitating transfer of power across from the generation to consumption centres. It is currently seeing a massive system expansion drive by adding capacities and infrastructure growth plans in accordance with generation capacity addition. During the 12th Plan, around 1,09,440 ckt kms of transmission lines, 2,70,000 MVA of AC transformer capacity and 13,000 MW of HVDC transformer capacity are expected to be added. India has made significant progress in building up capability and revealing opportunities for capacity additions.

With huge generation capacity additions already planned, the development of the national grid for stable power transmission is moving ahead with full steam. This is the main driving force behind the 765 kV and above voltage class equipment segment. This, in turn, transforms into greater opportunities to established power transmission EPC contractors to take the lead.

TRANSMISSION CAPACITY ADDITION

Transmission Voltage	Transmission Substations (MVA/MW)			Transmission Lines (ckt kms)		
	At the end of 10th Plan	11th Plan Additions	12th Plan Additions (Estimated)	At the end of 10th Plan	11th Plan Additions	12th Plan Additions (Estimated)
		(FY08-12)	(FY13-17)		(FY08-12)	(FY13-17)
HVDC	3,000	8,200	13,000	5,872	3,560	9,440
765 kV	–	25,000	1,49,000	2,184	3,546	27,000
400 kV	92,942	58,085	45,000	75,722	37,645	38,000
220 kV	1,56,497	67,277	76,000	1,14,629	25,535	35,000
Total	**2,52,439**	**1,58,562**	**2,83,000**	**1,98,407**	**70,286**	**1,09,440**

Source: CEA & Report of the Working Group on Power for 12th Plan (2012-17), Ministry of Power, GOI

FROM 2011 TO 2016, INDIA'S OVERALL POWER GENERATION CAPACITY IS PROJECTED TO INCREASE BY AN ANNUAL AVERAGE RATE OF **6.76%**

To support this capacity addition a huge capital expenditure is expected to be done in the 12th and 13th plan of ₹ 1,80,000 crores and ₹ 2,00,000 crores respectively, which includes the projects to be tendered under tariff based bidding.

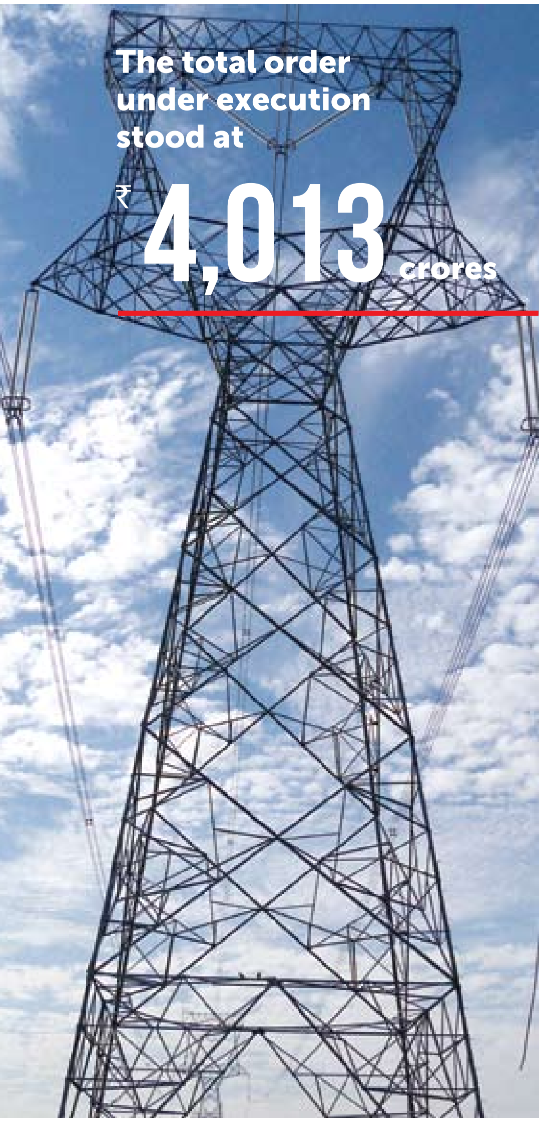
DISTRIBUTION

From 2011 to 2016, India's overall power generation capacity is projected to increase by an annual average rate of 6.76%, which indicates a level of 1,316 TWh of power generation. The net power consumption during this period is expected to reach 1,021 TWh by 2016, up from 729 TWh registered in 2011.

Enhancement in the quality of power supply is expected because of the initiatives taken under the R-APDRP and Sub—Transmission System to minimize AT&D losses through implementation of SCADA system and installation of Capacitor Banks for further development of distribution. The bidding for the privatization of distribution networks in states that have unbundled their State Electricity Boards (SEBs) or plan to do so in the next 2-3 years provide an attractive opportunity in the distribution sector. Also, the successful implementation of the franchisee model in the coming years may create more opportunities.

FINANCIAL PERFORMANCE

On the back of strong execution, revenue from operations for the year 2011-12 stood at ₹ 1,206.27 crores, a growth of 33.78% over the previous year. Earnings before interest, depreciation and tax (excluding other



income) during the year ended 31st March, 2012 increased by 50.88% to ₹ 110.09 crores. The EBITDA margin improved by 103 bps to 9.12%. Profit before tax increased by 36.53% to ₹ 86.21 crores.

Tax for the year stood at ₹ 29.34 crores an increase of 39.87% over the previous year. Profit after current year tax increased by 53.08% to ₹ 56.92 crores. EPS stood at ₹ 17.25 per share.

OPERATIONAL HIGHLIGHTS

EMC secured a number of orders during the year, taking its total order under execution to ₹ 4,013 crores as on 31st March, 2012.

One of noted order the Company won is a large order from PGCIL worth ₹ 776 crores. As part of this contract, EMC would supply, erect, test and commission the following for the Transmission System associated with LTOA Project in Salem / Tuticorin Area:

- A 765 kV Double Circuit Transmission Line worth ₹ 718 crores to be completed in 30 months. This will cover a total distance of 410 km and will be built between Tuticorin Pooling Station and Salem Pooling Station.
- A 400 kV Substation worth ₹ 58 crores will be constructed at Dharmapuri / Salem, Madhugiri and Tuticorin. This project is expected to be complete in 24 months.

EMC's ability to commission and execute projects on time has helped them to bag this prestigious order.

During the year, the Company added WBSEDCL, Kolkata, a new client, to its portfolio and received 14 Packages of R-APDRP Work. The Company has become L1 against Global Competition of 765/400 kV New GIS Substation with M/s. NHVS, China at Vadodara (Gujarat) and Padghe (Maharashtra) and New 400/220 kV Substation (AIS) at Chaibasa (Jharkhand) under M/s. PGCIL. The Company increased its customer base and is diversifying across cities in Gujarat and Maharashtra.

Since the Company is going to be a major player for tomorrow's business in EHV - Power System, our focus will be mostly in EHV Substations for both AIS and GIS System followed by Industrial Power Distribution and R-APDRP Power Distribution in India and abroad. We are also exploring new business for BOP in forth-coming Power & Steel Plant implemented by Government / Reputed Private Company on EPC basis.

USD 1,00,00,000 worth of export orders received last year and still under execution are as follows:

COMPANY HAVE EXECUTED EXPORT ORDERS WORTH

₹ 23.28 CRORES

1. **Under execution** – REA, Kenya - ACSR conductor - value USD 50,00,000 approx.

2. **New order received** – REA Kenya - Conductor & Wires - value USD 50,00,000 approx.

In the transmission line space, the Company completed two Power Grid Corporation of India Ltd. (PGCIL) projects for supply and construction of Tower Package: A for (i) Second 400 kV D/C Farakka-Kahalgaon Transmission Line (107 km), and (ii) Transmission Line for interchange of 400 kV D/C Farakka-Kahalgaon Ckt-I and Ckt-II and Kahalgaon-Biharsharif Ckt-III and Ckt-IV (30 km approx.) associated with Farakka – III Transmission System. Further the Company also executed Tower Package A2 for 400 kV S/C Neemrana-Sikar Transmission Line (160 km) associated with the Northern Region Strengthening Scheme – XVII, LILO of 400 kV S/C Singrauli – Kanpur Transmission Line at Fatehpur (approx 21 km), LILO of 400 kV S/C Allahabad – Kanpur Transmission Line at Fatehpur (approx. 16 km) and LILO of 220 kV D/C Fatehpur (UPPCL) – Kanpur (UPPCL) Transmission Line at Fatehpur (approx. 11 km).

The Company successfully commissioned first 2 x 315 MVA 400/220kV (New) Pirana Substation under PGCIL Vadodara/Gurgaon and put in operation progressively in full load within one month's time. This was the highest order of achievement in EHV Substation Project for the Company since inception. The Company also completed the Major R.E. Line / Service Connections and 33/11kV PSS at Nawada / Jehanabad and Arwal in Bihar from PGCIL under the RGGVY.

In the industrial distribution segment, the Company successfully commissioned seven new 33/11kV Indoor Substations under LBDS Power Distribution System of M/s. SAIL-ISP, Burnpur (W.B.) / Charged for using Electrical Power to respective Plant Units. The PAC for first three LBDS have also been received under Industrial Power Distribution.

During the year, the Company have executed export orders worth of ₹ 23.28 crores.

GLOBAL EXPANSION

The current order book of the Company is strong in terms of profitability and a mix of domestic projects. The Company now wants to manifest its ability to deliver not only in India but also overseas on its strong execution capabilities and bandwidth of skilled manpower. To strengthen its place in overseas markets and to reduce its domestic concentration, the Company is looking at joint ventures, strategic alliances, entering into local relationships in US, Europe and Africa.

GREEN INITIATIVE

The Company is committed towards clean and green energy. Situated at Naini, about 25 km from Allahabad, the 5 MW solar power plant, as part of the Union Ministry of New and Renewable Energy's Jawaharlal Nehru National Solar Mission became operational the year. Electricity is being generated with the help of 21,300 solar modules, which keep functioning efficiently. These modules pose virtually no environmental hazards that are a major cause of concern with regard to power plants.

RISKS

The execution of many transmission projects could be delayed due to local disturbances and ROW issues. Besides, execution delays could happen due to shortage of manpower, delays in receipt of environmental clearances, approval, natural calamities etc. Increase in input costs, currency fluctuation with open exposure, delay in execution and interest cost burden can have negative impact on profitability.

EPC projects are capital intensive and require considerable working capital. Higher interest rates could affect profitability.

ADEQUACY OF INTERNAL CONTROL

The Company has in place adequate internal control systems and procedures appropriate with the size and nature of its business. The efficiency of the internal controls is constantly examined by the Audit Committee of the Company. The Internal Audit Department's main purpose is to provide to the Audit Committee and the Board of Directors an independent, objective and practical assurance of the adequacy and effectiveness of the Organization's risk management, control and governance processes. It also follows up on the accomplishment of corrective actions and expansion in business processes after review by the Audit Committee and Senior Management.

CAUTIONARY STATEMENT

Statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations maybe "Forward-looking statements" within the meaning of applicable securities laws and regulations. However, actual result could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand-supply and price conditions in the domestic and overseas markets in the Company operates, changes in Government Regulations, tax laws and other statutes and other incidental factors.

DIVERSIFICATION

The Company is looking for maximizing new opportunities and planning to expand into high growth markets that value innovation. It is looking at joint ventures, strategic alliances, entering into local relationships in US, Europe and Africa. This will broaden our spectrum of potential growth and acquisition opportunities where we can leverage our skills and experience. By enduring to build on our Company's capabilities and skills, we are better able to compete and create value in composite and challenging market environments.

Diversification will help accelerate growth in our businesses and capture rapidly increasing demand in the developing geographies. Our investments in both developed and emerging economies are enabling us to capitalize on growth where it is happening rapidly. We always look to capture opportunities for organic growth across our business sectors and geographic markets. We continue to explore strategic acquisition and investments that will enable us expand our exposure to fast-growing product categories.

HUMAN RESOURCES

OUR PARTNERS IN GROWTH

The year 2011-12 has been significant for EMC. From a strong player in the Transmission and Distribution sector EMC has emerged as one of the dominant players in the segment with a strong national footprint by executing transmission line projects in all voltage segments up to 765 kV and substation projects up to 765 kV. These projects spread across all regions has made EMC over the last few years run a relentless race of capability building and demonstration which has allowed us to take our deserved competitive position among the front runners in the industry.

"Our work is a presentation of our capabilities."

- Goethe

Continued dedication of our employees and the passion to excel has made this happen. Staying on course in this growth path from the HR perspective mandates continuous deepening of the leadership pipe line and building a strong talent pool in the organization to strengthen the organization team's ever increasing capability of taking up greater and challenging business responsibilities.

As a Company, we believe in individual growth and overall development of our employees. The broad areas of our focus in this direction are:

1. ATTRACT AND GROW TALENT

- Our robust hiring mechanism facilitates the acquisition of talent at all levels. We nurture potential leaders of tomorrow with technical competencies and managerial proficiencies and strong interpersonal skills.

- 60 Engineering graduates and post graduates, 50 Engineering Diploma holders and 40 Survey professionals have been inducted as a part of the national campus recruitment program initiated by EMC during the year. Systems support at Project level has been provided by recruiting systems support personnel proficient in SAP.

2. NURTURE EMPLOYEE GOALS AND ASPIRATIONS

- Our continued employee empowerment initiatives enable the career progression of our employees. This helps in employee retention in a hyper-competitive market, amidst the dearth of skilled manpower.
- Apart from these, structural re-organizations have synchronized the regional leadership with the client servicing aspect. This has enabled us to bring in a greater focus and efficiency in our client servicing capabilities.

3. FOSTER KNOWLEDGE SHARING

- Key challenge of the T&D EPC companies is talent availability; EMC Academy is an important initiative in this direction. Through the Academy, we train and develop application-based technical expertise and skill across all levels of the organization.
- Besides this, we have implemented a range of other practices that result in confidence enhancement and professional progression. For instance, managerial and leadership training facilitated the evolution of personnel into execution experts. As professionals, our managers are equipped with technical and proficient competence required to be effective project managers.

4. STIMULATE EMPLOYEE PERFORMANCE

During the year we introduced an improved performance assessment and development process to enable scientific and competitive positioning of individual compensation linked to performance, internal parity and external benchmarking.

5. PROMOTE EMPLOYEE WELFARE AND SAFETY

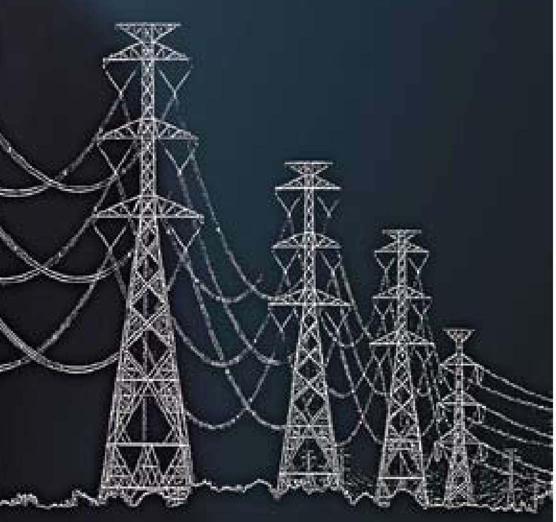
- Safety and Welfare remains an area of constant focus at EMC.
- We are committed to providing and maintaining a work environment which meets or exceeds industry health and safety standards as well as regulatory requirements.
- We have specially appointed Safety Officers and Engineers who are authorized to stop work if they observe safety violations and compromises.

We believe that people empowerment is a major foundation behind the ongoing success and commitment provided by EMC. Therefore, a robust people strategy is indispensible to our success.

ON-TIME EXECUTION

During the year the Company won a large order from PGCIL worth

₹ 776 CRORES



Our varied capabilities help us in successful on-time project execution in line with global standards. These include:

- Promoting a culture that delivers superior services across the value chain for our EPC customers.
- Integrated and innovative approach ensuring that all projects undertaken by us are always on track, on time and within budget.
- Applying proven, robust and reliable solutions to manage and deliver large, complex projects across all voltage platforms and in challenging climatic and topographic conditions that include deserts, snowfields, seas, mountainous regions and thick forests as well as in exigent socio-political conditions including war-torn regions.
- Experience over the last five decades reveals an unparalleled record of executing both large and small projects, including many industry firsts.
- In-house Design and Engineering team and the state-of-the-art technology employed for design provides us with a rather optimistic and effective solution.

EMC ACADEMY

The EMC Academy is dedicated towards bridging skilled manpower shortage in the Transmission and Distribution (T&D) sector. The Academy ensures that a dearth of talent does not hamper the growth of company and T&D sector as whole. We believe this initiative will meet the ever-growing business needs of our Company and create the industry leaders of tomorrow.

"Excellence is an art won by training and habituation."
- Aristotle

The state-of-the-art EMC Academy building is ready and full time courses will be offered as soon as the West Bengal State Council of Vocational Education & Training (WBSCVET) and the Directorate of Vocational Education & Training, Government of West Bengal grant the necessary approvals. The process of granting these approvals is currently at advanced stage.

In order to impart world-class training and build a talent pool of technical, supervisory and managerial talent, new courses have been designed on subjects such as Project Management, Safety, Substation, General Training for all in TL, Contract Management, Soft Skills and Behavioral aspects in Management.

As part of our strategy to mitigate the skill gap in the T&D sector, we have approached engineering colleges accredited with the West Bengal University of Technology (WBUT) and they have agreed to send their students for training to the EMC Academy.

TRAINING EMPLOYEES

The EMC Academy has already conducted various training programs since June 2011 for its employees. These programs have ensured that multiple categories of employees comprising of GET, DET, Storekeepers, EDP Assistants, Surveyor, Senior Supervisors, Project Managers and Project Coordinators now come under the training domain.

The programs successfully conducted include Safety Training, Store Management Training, Training on Construction activities in Transmission line, Project & Contract Management and Behavioral Training.

EMC is determined to lead the way to empower the industry through its Academy by nourishing technical talent for years to come.


PROFITABILITY
₹ 24.28
CRORES
FY2009-10
₹ 42.17
CRORES
FY2010-11

We have a clear and consistent strategy and an established record of delivery. We have returned to growth and, looking to the future, there are significant long-term opportunities to develop our business further. We believe that our competence to deliver superior long-term financial returns is the foundation of establishing enduring value for all stakeholders. Strong financial performance rewards our shareholders and also allows us to focus on our broader social and environmental responsibilities and contribute to the long-standing prosperity of our customers, employees, suppliers and communities.

We plan to grow the business significantly by focusing on the following areas:

- Optimizing returns from our established markets.
- Entering new markets that offer the prospect of future growth.
- Ensuring our business model is sustainable.

FINANCIAL STATEMENTS

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the Fifty-Sixth Annual Report of your Company and the Audited Accounts for the financial year ended on 31st March, 2012.

FINANCIAL RESULTS

The financial performance of your Company for the financial year ended on 31st March, 2012 is summarized below:

	2011-12 ₹	2010-11 ₹
INCOME		
Income from Operation	12,06,27,10,014	9,01,62,38,197
Other Income	4,38,79,599	2,64,42,872
	12,10,65,89,613	9,04,26,81,069
EXPENDITURE		
Manufacturing and Other Expenses	11,00,56,88,878	8,31,30,25,089
Interest	19,10,79,864	8,31,68,917
Depreciation	4,77,62,484	1,50,79,119
	11,24,45,31,226	8,41,12,73,125
PROFIT BEFORE TAX	86,20,58,387	63,14,07,946
Deferred Tax Credit for Current Year	4,74,01,793	3,24,92,962
Provision for Tax	24,59,67,023	17,72,44,972
PROFIT AFTER CURRENT YEAR TAX	56,86,89,571	42,16,70,012
Deferred Tax Credit for Earlier Years	(4,86,525)	4,98,64,087
Balance Brought Forward	23,32,03,038	(10,01,21,998)
Proposed Dividend	3,30,00,000	3,30,00,000
Income Tax on Proposed Dividend	53,53,425	54,80,888
Balance Carried to Balance Sheet	76,40,25,709	23,32,03,038
Paid-up Share Capital	33,00,00,000	33,00,00,000

FINANCIALS

The total income of your Company has increased to ₹ 12,10,65,89,613 from ₹ 9,04,26,81,069 in the previous financial year. The profit before tax (PBT) increased from ₹ 63,14,07,946 to ₹ 86,20,58,387. The profit after tax for the current year is ₹ 56,86,89,571 as against ₹ 42,16,70,012 in the previous financial year.

CONSOLIDATED ACCOUNTS

The Ministry of Corporate Affairs (MCA) has granted general exemption to companies by General Circular No. 2/2011 dated 8th February, 2011, under Section 212(8) of the Companies Act, 1956, from attaching individual accounts of subsidiary companies with the Annual Report of the Holding Company. Accordingly, the Board of Directors of your Company has, by resolution, given consent for not attaching the Balance Sheet and Profit and Loss Account and other documents of its subsidiaries in the Annual Report of your Company for the period and financial year ended on 31st March, 2012.

The Board of Directors of your Company at its meeting held on 28th May, 2012 approved the Audited Consolidated Financial Statements for the financial year 2011-12 in accordance with the Accounting Standard (AS-21) and other Accounting Standards issued by the Institute of Chartered Accountants of India as well as Clause 32 of the Listing Agreement, which include financial information of all its subsidiaries, and forms part of this report.

CHANGE IN NAME OF THE COMPANY

The name of your Company has been changed from 'Electrical Manufacturing Company Limited' to 'EMC Limited' w.e.f. 8th September, 2011.

SUBSIDIARIES

Your Company had eight subsidiary companies during the financial year ended on 31st March, 2012 namely EMC Hardware Limited, EMC Solar Limited, EMC Power Limited, EMC Energy Limited, EMC Logistics Limited, EMC Infrastructure Limited, EMC Academy Limited and EMC Overseas Limited.

The detailed financial statements and audit reports of each of the subsidiaries are available for inspection at the registered office of your Company during office hours between 11 a.m. to 1 p.m. and upon written request from a shareholder, your Company will arrange to send the financial statements of subsidiary companies to the said shareholder.

DIVIDEND

Your Board has recommended a Dividend of Re. 1 per Equity Share (10%) for the financial year 2011-12 to the Equity shareholders of your Company. The Dividend for the financial year 2011-12 shall be subject to tax on dividend to be paid by your Company but will be tax-free in the hands of the shareholders.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits during the financial year 2011-12 and there are no outstanding fixed deposits from the public as on 31st March, 2012.

INSURANCE

All the insurable interests of your Company including inventories, buildings, plant and machinery are adequately insured.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Energy conservation continued to be an area of priority. Continued efforts on rationalization of demands in manufacturing locations and increase in production volume resulted in the saving of energy compared to the earlier years. Your Company has used modern technology to install solar power plants and thereby generating solar energy.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company has incurred ₹ 1,858.45 lacs (previous year ₹ 1,163.95 lacs) towards foreign exchange expenditure during the financial year under review and has earned ₹ 2,318.39 lacs (previous year ₹ Nil) foreign exchange during the said period.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, the names and other particulars of employees are set out in the Annexure to the Directors' Report. However, having regard to the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

i. In the preparation of the Annual Accounts for the financial year ended on 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures;

ii. The Directors have selected such accounting policies and applied them consistently and made judgments 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 and of the profit of the Company for the financial year under review;

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

iv. The Directors have prepared the Annual Accounts for the financial year ended on 31st March, 2012 on a going concern basis.

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement, a separate report on Corporate Governance is annexed as part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report which forms part of the Directors' Report is annexed separately.

DIRECTORS

During the financial year under review, Mr. Praveen Chandra Sood, Whole-time Director designated as Director (Business Development) of the Company ceased to be a Director w.e.f. 22nd October, 2011 on completion of his tenure. The Board wishes to place on record its appreciation for the valuable services rendered to the Company by Mr. Praveen Chandra Sood during his association with the Company. Further, the Board re-appointed Mr. Durga Prasad Sharma as the Executive Director of the Company w.e.f. 29th April, 2012, subject to the final approval of the members at the ensuing Annual General Meeting.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Sunder Lal Dugar and Mr. Suraj Mall Singhi, Directors of the Company, retire by rotation at the conclusion of the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. The brief resume of the aforesaid Directors and other information have been detailed in the Notice.

AUDITORS

The Auditors of your Company, M/s. SRB & Associates, Chartered Accountants, hold office until the conclusion of the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment as the Auditors of your Company for the financial year 2012-13. Your Company has obtained a written consent from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of Section 226 of the said Act.

The Audit Committee and the Board of Directors of your Company recommend the re-appointment of M/s. SRB & Associates, Chartered Accountants, as the Auditors of your Company for the financial year 2012-13.

APPRECIATION

Your Directors wish to place on record their appreciation for the co-operation received from the Government of West Bengal and the Bankers and look forward for such co-operation in the future as well. Your Directors would like to express their grateful appreciation to all the employees at all levels for their hard work, solidarity, co-operation and support during the financial year. Your Directors also wish to place on record their deep appreciation to customers, shareholders, vendors, suppliers and other stakeholders for their continued support.

For and on behalf of the Board

Manoj Toshniwal
Managing Director

Ramesh Chandra Bardia
Joint Managing Director

Place : Kolkata
Dated : 28th May, 2012

Corporate Governance Report

1. COMPANY'S PHILOSOPHY

Corporate Governance is about commitment of values and about ethical business conduct. It is about how an organization is managed. Our Corporate Governance philosophy stems from the belief that business strategy and plans should be consistent with the welfare of all stakeholders and should be in line with the national economic policies of the Government of India. The Company has always focused on good corporate governance and believes that corporate governance is not just limited to creating checks and balances, it is more about creating organization excellence leading to increasing employee and customer satisfaction and shareholder value.

2. BOARD OF DIRECTORS

i. The Company has in all seven Directors with considerable professional experience in divergent areas connected with corporate functioning. The Board is headed by Mr. Sunder Lal Dugar, the Non-Executive Chairman of the Company, Mr. Manoj Toshniwal, the Managing Director and Mr. Ramesh Chandra Bardia, the Jt. Managing Director of the Company and is entrusted with the substantial power of management of the Company subject to superintendence, control and directions of the Board.

ii. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than five Committees across all the companies in which he is a Director.

iii. During the financial year under review, Mr. Praveen Chandra Sood, Whole-time Director designated as Director, Business Development, of the Company ceased to be a Director w.e.f. 22nd October, 2011 subsequent to completion of his tenure as a Whole-time Director of the Company. Mr. Durga Prasad Sharma, Executive Director of the Company was re-appointed by the Board of Directors w.e.f. 29th April, 2012, subject to the approval of the shareholders at the ensuing Annual General Meeting. Two Directors, Mr. Sunder Lal Dugar and Mr. Suraj Mall Singhi, who had retired by rotation at the last Annual General Meeting and being eligible for re-appointment, were reappointed by the shareholders.

During the financial year under review, four Board Meetings were held i.e. on 14th May, 2011, 21st July, 2011, 3rd November, 2011 and 3rd February, 2012. The composition of the Board of Directors and their attendance at the Board Meetings during the financial year and at the last Annual General Meeting and also the number of Directorships held by Directors is mentioned below:

Name of Director	Category of Director	Attendance Particulars		No. of Directorships in other bodies corporate[1]	No. of Chairmanship/ Membership of Board Committees in other Companies[2]		No. of Equity Shares held
		Board Meetings	Last AGM		Chairman	Member	
Mr. Sunder Lal Dugar	P/Chairman /NED	3	Yes	9	NIL	NIL	199020
Mr. Manoj Toshniwal	P/MD	4	Yes	9	NIL	NIL	900000
Mr. Ramesh Chandra Bardia	P/JT. MD	4	Yes	8	NIL	NIL	1900000
Mr. Suraj Mall Singhi	I/NED	4	Yes	3	NIL	NIL	NIL
Mr. Arun Kumar Datta	I/NED	4	No	3	NIL	3	NIL
Mr. Saubir Bhattacharyya	I/NED	4	Yes	1	NIL	NIL	NIL
Mr. Durga Prasad Sharma	ED	4	Yes	0	NIL	NIL	NIL
Mr. Praveen Chandra Sood*	ED	1	No	-	-	-	-

P : Promoter   MD : Managing Director   ED : Executive Director
NED : Non-Executive Director   I : Independent

* Mr. Praveen Chandra Sood, Whole-time Director designated as Director, Business Development ceased to be a Director w.e.f. 22.10.2011.

[1] The Directorships held by the Directors as mentioned above do not include Alternate Directorships and Directorships held in Foreign Companies, Companies registered under Section 25 of the Companies Act, 1956 and Private Limited Companies.

[2] In accordance with Clause 49 of the Listing Agreement, Memberships / Chairmanships of only the Audit Committees and Shareholders' / Investor Grievance Committees in all Public Limited Companies have been considered.

3. AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange read with Section 292A of the Companies Act, 1956. The purpose of the Audit Committee is to assist the Board of Directors ("the Board") in reviewing the financial information which will be provided to the shareholders and others, reviewing the systems of internal controls established in the Company, appointing, retaining and reviewing the performance of independent accountants/internal auditors and overseeing the Company's accounting and financial reporting processes and the audit of the Company's financial statements.

a) Terms of Reference

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information are disclosed.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement of the statutory auditor, fixing of audit fees and approving payments for any other services.
- Discussion with the statutory auditors before the audit commences of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report, including quarterly/half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
  - i. any changes in accounting policies and practices;
  - ii. major accounting entries based on exercise of judgment by management;
  - iii. qualifications in draft audit report;
  - iv. significant adjustments arising out of audit;
  - v. the going concern assumption;
  - vi. compliance with accounting standards;
  - vii. compliance with stock exchange and legal requirements concerning financial statements;
  - viii. any related party transactions as per Accounting Standard 18.
- Reviewing the Company's financial policies.
- Reviewing with management quarterly, half-yearly, nine months and annual financial statements, standalone as well as consolidated before submission to the Board for approval.
- Reviewing with the management and the Statutory Auditors anticipated changes in the Accounting Standards.
- Reviewing the statements of significant related party transactions, the financial statements and/or investments made by the unlisted Subsidiary Companies.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

b) Composition

The Audit Committee at present comprises of three members, all being Non-Executive Independent Directors viz. Mr. Suraj Mall Singhi (Chairman), Mr. Arun Kumar Datta and Mr. Saubir Bhattacharyya. During the financial year ended on 31st March, 2012, the Committee met four times i.e. on 14th May, 2011, 21st July, 2011, 3rd November, 2011, and 3rd February, 2012 and the attendance of the members at the Audit Committee meetings was as follows:

Name of the Member	Status	No. of meetings attended
Mr. Suraj Mall Singhi	Chairman	4
Mr. Arun Kumar Datta	Member	4
Mr. Saubir Bhattacharyya	Member	4

4. REMUNERATION OF DIRECTORS

a) The Directors are paid remuneration by way of salary and sitting fees wherever applicable. The Company pays sitting fees of ₹ 10,000 per meeting to the Non-Executive Directors for attending the meeting of the Board and ₹ 5,000 per meeting for attending the meeting of Audit Committee and Remuneration Committee.

Details of remuneration paid to Directors during the financial year ended on 31st March, 2012:

(Figures in ₹)

Name of the Director	Salary, Perquisites and Allowance	Commission	Sitting Fees	Total
Mr. Sunder Lal Dugar	NIL	NIL	NIL	NIL
Mr. Manoj Toshniwal	65,76,000	NIL	NIL	65,76,000
Mr. Ramesh Chandra Bardia	65,76,000	NIL	NIL	65,76,000
Mr. Suraj Mall Singhi	NIL	NIL	60,000	60,000
Mr. Arun Kumar Datta	NIL	NIL	60,000	60,000
Mr. Praveen Chandra Sood*	12,51,250	NIL	NIL	12,51,250
Mr. Saubir Bhattacharyya	NIL	NIL	60,000	60,000
Mr. Durga Prasad Sharma	28,84,800	NIL	NIL	28,84,800

* Mr. Praveen Chandra Sood, Whole-time Director designated as Director, Business Development ceased to be a Director w.e.f. 22.10.2011.

b) Service Contract, Notice Period and Severance Fees

The employment of Mr. Manoj Toshniwal, Mr. Ramesh Chandra Bardia and Mr. Durga Prasad Sharma are contractual. The employment of Mr. Praveen Chandra Sood was also on a contract basis.

c) Stock Option Details, if any

NIL

d) Remuneration Policy

The Policy Dossier prescribes for payment of Compensation to Executive Directors by way of salary and other perquisites. The remuneration policy is in consonance with the existing industry practice.

e) Remuneration Committee

The Company has a Remuneration Committee comprising of three members, all being Non-Executive Independent Directors. Mr. Arun Kumar Datta is the Chairman of the Committee and Mr. Suraj Mall Singhi and Mr. Saubir Bhattacharyya are the other two members.

There was no meeting of the Remuneration Committee held during the financial year ended on 31st March, 2012.

5. SHAREHOLDERS'/INVESTOR GRIEVANCE COMMITTEE

a) Terms of Reference

The Shareholders'/Investor Grievance Committee oversees the redressal of complaints of investors such as transfer or credit of shares to demat accounts, non-receipt of dividend/annual reports, approval of physical shares, etc.

b) Composition

At present the Committee comprises of three members. Mr. Saubir Bhattacharyya, a Non-Executive Independent Director is the Chairman of the Committee. The other members of the Committee are Mr. Manoj Toshniwal and Mr. Ramesh Chandra Bardia.

The Committee oversees the performance of M/s. Maheshwari Datamatics Private Limited, the Registrar and Share Transfer Agent of the Company and recommends measures to improve the level of investor related services. The Committee deals with the applications for subdivision and consolidation of share certificates and issue of duplicate share certificates, etc. The Committee also keeps a close watch on all complaints/grievances of shareholders.

Details of Compliance Officer:

Name	:	Mr. Chandra Sekhar Adhikary
Designation	:	Company Secretary
Address	:	"Constantia Office Complex", (South Block), 8th Floor, 11, Dr. U. N. Brahmachari Street, Kolkata - 700 017
Phone	:	033-2289 3122 / 23 / 24, 033-4015 8829
Fax	:	033-2289 3121
E-mail	:	info@emcpower.com
Website	:	www.emcpower.com

E-Mail Id earmarked for redressing Investors queries in terms of Clause 47(f) of the Listing Agreement is info@emcpower.com

During the financial year under review, transfer of 4,25,451 shares and transmission of 233 shares were affected. There were no share transfer / transmission application pending for registration as on 31st March, 2012. The Company did not receive any complaint from the members during the financial year ended on 31st March, 2012.

During the financial year ended on 31st March, 2012 the Committee met nine times i.e. on 6th April, 2011, 30th April, 2011, 15th July, 2011, 20th August, 2011, 30th November, 2011, 30th December, 2011, 15th February, 2012, 29th February, 2012 and 30th March, 2012 and the attendance of the members at the Shareholders'/ Investor Grievance Committee meetings was as follows:

Name of the Member	Status	No. of meetings attended
Mr. Saubir Bhattacharyya	Chairman	7
Mr. Manoj Toshniwal	Member	9
Mr. Ramesh Chandra Bardia	Member	9

6. GENERAL BODY MEETINGS

The venue and the time of the last three Annual General Meetings of the Company are as follows:

Financial Year	Date	Time	Location
2010-11	26.08.2011	10:30 a.m.	Bharatiya Bhasha Parishad, 36 A, Shakespeare Sarani, Kolkata - 700 017
2009-10	07.09.2010	10:30 a.m.	Bharatiya Bhasha Parishad, 36 A, Shakespeare Sarani, Kolkata - 700 017
2008-09	15.09.2009	10:30 a.m.	Bharatiya Bhasha Parishad, 36 A, Shakespeare Sarani, Kolkata - 700 017

All Special Resolutions set out in the Notices for the Annual General Meetings were passed by the shareholders at the respective meetings with requisite majority.

None of the Resolutions proposed for the ensuing Annual General Meeting need to be passed by the Postal Ballot Mechanism.

7. DISCLOSURES

i. There is no materially significant, in general, related party transactions of the Company, in general, which have potential conflict with the interest of the Company at large.

ii. No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital market for non-compliance by the Company during the last three years.

iii. The Company, in general, has complied with all the applicable mandatory requirements. The Company has not adopted the non mandatory requirements of the Listing Agreement.

iv. Periodical disclosures from Senior Management relating to all material financial and commercial transactions, where they had or were deemed to have had personal interest, that might have had a potential conflict with the interest of the Company at large were disclosed before the Board.

v. The Company, in general, has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India in preparation of its financial statements.

vi. The Company has complied at its best and as far as it was practically possible and feasible to it with all the mandatory and non-mandatory requirements of the revised Clause 49 of the Listing Agreement. The extent of compliance of the following non-mandatory requirements are given below:

a) With regard to training of Board Members, the Directors of the Company are continuously trained in the business model of the Company and the risk profile of business parameters through various presentations at Board Committee Meetings.

8. MEANS OF COMMUNICATION

i. Since the financial results in respect of each quarter and annual audited financial results of the Company are sent to the Stock Exchange immediately after they are approved by the Board/Committee and also published in 'The Financial Express' in English and 'Kalantar'/'Arthik Lipi' in Bengali in Kolkata editions, the same were not separately sent to the shareholders.

ii. The Company's official website is www.emcpower.com.

iii. No presentation was made to any Institutional Investors or to any Analyst during the financial year under review.

9. GENERAL SHAREHOLDERS' INFORMATION

i. 56th Annual General Meeting

Date : 24th August, 2012

Time : 10.30 a.m.

Venue : Bharatiya Bhasha Parishad, 36 A, Shakespeare Sarani, Kolkata - 700 017

ii. Tentative Financial Calendar

Financial Year	1st April, 2012 to 31st March, 2013
Result for the quarter ending 30th June, 2012	by 14th August, 2012
Result for the quarter ending 30th September, 2012	by 14th November, 2012
Result for the quarter ending 31st December, 2012	by 14th February, 2013
Result for the year ending 31st March, 2013	by 30th May, 2013
Annual General Meeting	by September, 2013

iii. Book Closure

The Register of Members and Share Transfer Books of the Company shall remain closed from 20th August, 2012 to 24th August, 2012 (both days inclusive) for the purpose of holding the 56th Annual General Meeting of the Company to be convened on 24th August, 2012.

iv. Listing on Stock Exchange and Stock Code

The Equity Shares of the Company are listed on The Calcutta Stock Exchange Limited. The Stock Code is 10015045. Under the depository system, International Securities Identification Number (ISIN) allotted to the Equity Shares of the Company is INE950A01018. Annual listing fee for the year 2012-13 has been paid by the Company.

v. Market Price Data

There has been no trading of the Equity Shares of the Company on the Stock Exchange. Accordingly the question of comparison of the prices of Company's shares with the broad-based indices does not arise.

vi. **Registrar and Share Transfer Agent**

The Company has appointed M/s. Maheshwari Datamatics Private Limited as its Registrar and Share Transfer Agent (RTA) for handling work related to share registry in terms of both physical and electronic modes. Accordingly, all correspondences, shares for transfer, transmission, demat/ remat requests and other communications in relation thereto should be mailed / hand delivered to the said RTA directly at the following address:

M/s. Maheshwari Datamatics Private Limited

6, Mangoe Lane, 2nd Floor, Kolkata - 700 001

Tel : 2243 5809 / 2243 5029

Fax : (033) 2248 4787

E-mail : mdpl@cal.vsnl.net.in

vii. **Share Transfer System**

After the requests for transfer / transmission of shares in physical form are approved by the Shareholders' / Investor Grievance Committee the same is sent to the Registrar and Share Transfer Agent for completing the necessary procedural formalities and dispatch to the shareholders. Share transfer requests, if found valid and complete in all respect, are normally effected within a period of 15 days from the date of receipt. The Company obtains from a Company Secretary in Practice, half-yearly certificate of compliance with the share transfer formalities as required under Clause 47 (c) of the Listing Agreement with Stock Exchange and files a copy of the certificate with the Stock Exchange.

viii. **Distribution of Shareholding**

The distribution pattern of shareholding of your Company as on 31st March, 2012 is as follows:

Category of Shareholders		No. of Shares	% of Shareholding
(A)	Shareholding of Promoter and Promoter Group		
(A1)	Indian		
(a)	Individuals / Hindu Undivided Family	1,27,45,224	38.6219%
(b)	Bodies Corporate	1,98,98,889	60.2997%
	Sub-Total (A1)	3,26,44,113	98.9216%
(A2)	Foreign		
(a)	Individuals / Hindu Undivided Family	0	0.00%
(b)	Bodies Corporate	0	0.00%
	Sub-Total (A2)	0	0.00%
	Total Shareholding of Promoter and Promoter Group (A)=(A1)+(A2)	**3,26,44,113**	**98.9216%**
(B)	Public Shareholding		
(B1)	Institution		
(a)	Financial Institutions / Banks	50	0.0002%
(b)	Insurance Companies	5,000	0.0152%
	Sub-Total (B1)	5,050	0.0153%
(B2)	Non-Institution		
(a)	Bodies Corporate	8,051	0.0244%
(b)	Individual Holding		
	(i) Nominal Share Capital upto ₹ 1 Lakh	1,92,786	0.5842%
	(ii) Nominal Share Capital in excess of ₹ 1 Lakh	1,50,000	0.4545%
	Sub-Total (B2)	3,50,837	1.0631%
	Total Public Shareholding (B)=(B1)+(B2)	**3,55,887**	**1.0784%**
	Total (A)+(B)	**3,30,00,000**	**100.00%**

Corporate Governance Report (Contd.)

Distribution of shareholding of the Company by number of shares held as on 31st March, 2012 is as follows:

	Shareholders		Shareholding	
	Number	%	Number	%
Upto - 500	1195	93.8727	1,23,538	0.3744
501 - 1000	43	3.3778	31,649	0.0959
1001 - 2000	11	0.8641	15,500	0.0470
2001 - 3000	1	0.0786	2,950	0.0089
3001 - 4000	2	0.1571	6,800	0.0206
4001 - 5000	1	0.0786	5,000	0.0152
5001 - 10000	3	0.2357	20,450	0.0620
10001 & Above	17	1.3354	3,27,94,113	99.3761
Total	**1,273**	**100.00**	**3,30,00,000**	**100.00**

ix. Dematerialization of Shares and Liquidity

The Equity Shares of the Company are traded in dematerialized form at The Calcutta Stock Exchange Limited under depository systems with both the Depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited. About 99.60% of the Equity Shares of the Company have already been dematerialized as on 31st March, 2012.

x. Outstanding GDRs / ADRs / Warrants or Convertible Instrument:

The Company had never issued any GDRs/ ADRs/ Warrants or Convertible Instrument.

xi. Address for Correspondence

EMC Limited

Registered Office:
Constantia Office Complex (South Block), 8th Floor,
11, Dr. U. N. Brahmachari Street, Kolkata - 700 017
Tel : 2289 3122/23/24
Fax : 2289 3121
E-mail : info@emcpower.com

M/s. Maheshwari Datamatics Private Limited

6, Mangoe Lane,
2nd Floor,
Kolkata - 700 001
Tel : 2243 5809 / 2243 5029
Fax : (033) 2248 4787
E-mail : mdpl@cal.vsnl.net.in

10. CEO / CFO CERTIFICATE

The Managing Director and the Head of the Finance and Accounts function has certified to the Board, the particulars as stipulated vide Clause 49.V of the Listing Agreement.

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The same has been dealt in the Annual Report separately and forms part of the Corporate Governance Report.

12. INSIDER TRADING

The Company has adopted the Code of Internal Procedures and Conduct framed under the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, to, inter alia, prevent insider trading in the shares of the Company.

13. CODE OF CONDUCT AND ETHICS

The Company has also adopted a Code of Conduct and Ethics (Code) for the members of Board of Directors and Senior Management Personnel of the Company and the Company is in the process of posting the same at the Company's website at www.emcpower.com. The essence of the Code is to conduct the business of the Company in an honest and ethical manner, in compliance with applicable laws and in a way that excludes considerations of personal advantage. All Directors and Senior Management Personnel have affirmed compliance with the Code, and a declaration to this effect, signed by the Managing Director, is attached to this report.

14. CAUTIONARY STATEMENT

Details given herein above relating to various activities and future plans may be 'forward looking statements' within the meaning of applicable laws and regulations. The actual performance may differ from those expressed or implied.

15. CERTIFICATE

The Company has obtained a Certificate from **CS A. K. Labh, Practising Company Secretary of M/s. A. K. Labh & Co., Company Secretaries** regarding compliance of Corporate Governance as stipulated in Clause 49 of the Listing agreement and the same is enclosed herewith.

All material requirements with respect to Corporate Governance as stipulated in the Listing Agreement have been complied with.

For and on behalf of the Board

Place : Kolkata
Dated : 28th May, 2012

Manoj Toshniwal
Managing Director

Ramesh Chandra Bardia
Joint Managing Director

Certificate on Corporate Governance

To the Members of,
EMC Limited

We have examined the compliance of conditions of Corporate Governance by **M/s. EMC Limited** (formerly M/s. Electrical Manufacturing Company Limited) for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement with the stock exchanges and as amended by the SEBI vide its Circular dated 09th October, 2004 and as implemented by the Company for the year under report.

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

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

We have been explained that no investor grievance was pending for a period exceeding one month against the Company as per the records maintained by the Company as well as by the share transfer agent.

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

For A. K. Labh & Co.
Company Secretaries

(CS A. K. Labh)
Proprietor
C.P. - 3238

Place : Kolkata
Dated : 28th May, 2012

Declaration by Chief Executive Officer

I, Manoj Toshniwal, Managing Director of EMC Limited hereby declare that all the Board Members and Senior Managerial Personnel have affirmed for the financial year ended on 31st March, 2012 compliance with the Code of Conduct of the Company laid down for them.

Place : Kolkata
Dated : 28th May, 2012

Manoj Toshniwal
Managing Director

Certificate by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

We, Manoj Toshniwal, Managing Director and Yamini More, DGM (Finance) of EMC Limited, certify:

a) We have reviewed financial statements and the cash flow statement for the financial year ended on 31st March, 2012 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. 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.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended on 31st March, 2012 which are fraudulent, illegal or violative of the company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee

   i. significant changes in internal control over financial reporting during the financial year;

   ii. significant changes in accounting policies during the financial year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Kolkata
Dated : 28th May, 2012

Manoj Toshniwal
Managing Director

Yamini More
DGM – Finance & Accounts

Auditors' Report

To the Members of EMC Limited
(Formerly M/s. Electrical Manufacturing Company Limited)
Report on the Financial Statements

1. We have audited the accompanying financial statements of EMC Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2012, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and Significant Accounting Policies and Additional Notes. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, and on the basis of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

4. Further to our comments in the Annexure referred under Para 3 above, we report that:

   a) We have 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 appear from our examination of those books;

   c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

   e) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and

   f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and the Additional Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

      (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;

      (ii) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and

      (iii) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For SRB & Associates
Chartered Accountants
Firm Regn. No. : 310009E

(Sanjeet Patra)
Partner
Membership No.: 056121

Place : Kolkata
Dated : 28th May, 2012

Annexure to Auditors' Report of EMC Limited for the year ended 31st March, 2012

Referred to in our report of even date

1. **In respect of its fixed assets**

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

   b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

   c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.

2. **In respect of its inventories:**

   a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.

   b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

   c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventories and no material discrepancies were noticed on physical verification.

3. The Company has not taken or given any loans, secured or unsecured from / to Companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in such internal controls system.

5. In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:

   a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.

   b) Where each of such transaction is in excess of ₹ 5 Lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.

6. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. Therefore the provisions of Clause (VI) of the Companies (auditor's report) Order, 2003 are not applicable.

7. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

8. According to the information and explanations given to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) for any product of the Company.

9. According to the information and explanations given to us in respect of statutory dues:

   a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

   b) There were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as on 31st March, 2012 for a period of more than six months from the date they became payable.

c) Details of dues of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2012 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is Pending	Amount involved (Figure in ₹)
The West Bengal Value Added Tax Act, 2003	Value Added Tax	Revisional Board	98,66,839
		Deputy Commissioner (Appeals)	6,89,30,719
		Deputy Commissioner (Appeals)	6,45,98,137
Central Excise Act, 1944	Service Tax	CESTAT (Tribunal)	26,01,247
		Deputy Commissioner	4,44,135
Total			**14,64,41,077**

10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.

11. In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions, debenture holders.

12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, Clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.

14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, mutual fund debentures and other investments and timely entries have been made therein. All shares, debentures mutual fund and other investments have been held by the Company in its own name.

15. The Company has not given guarantees for loans taken by others from banks or financial institutions.

16. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.

17. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.

18. The Company has not made any preferential allotment of share to parties and Companies covered in the register maintained under Section 301 of Companies Act, 1956.

19. According to the information and explanation given to us the Company has not issued any secured debentures during the year under audit.

20. The Company has not made any public issue during the year hence Clause 20 of CARO 2003 is not applicable.

21. To the best of our knowledge and according to the information and explanations given to us, no fraud by or on the Company has been noticed or reported during the year.

For SRB & Associates
Chartered Accountants
Firm Regn. No.: 310009E

(Sanjeet Patra)
Partner
Membership No.: 056121

Place : Kolkata
Dated : 28th May, 2012

Balance Sheet as at 31st March, 2012

	Note No.	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
I. EQUITY AND LIABILITIES					
1. SHAREHOLDER'S FUNDS					
a) Share Capital	1	33,00,00,000		33,00,00,000	
b) Reserves and Surplus	2	1,07,84,88,792	1,40,84,88,792	54,80,04,522	87,80,04,522
2. NON-CURRENT LIABILITIES					
a) Long-term Borrowings	3	62,87,64,761		24,27,70,562	
b) Deferred Tax Liabilities (Net)	4	5,28,13,446		58,98,178	
c) Other Long-term Liabilities	5	1,53,90,69,991	2,22,06,48,198	1,13,29,91,093	1,38,16,59,833
3. CURRENT LIABILITIES					
a) Short-term Borrowings	6	2,97,17,13,346		1,13,13,00,000	
b) Trade Payables	7	2,30,43,16,982		3,42,95,35,149	
c) Other Current Liabilities	8	9,87,99,140		7,19,62,395	
d) Short-term Provisions	9	396,90,075	5,41,45,19,542	17,72,44,972	4,81,00,42,516
			9,04,36,56,532		7,06,97,06,871
II. ASSETS					
4. NON-CURRENT ASSETS					
a) Fixed Assets :-	10				
(i) Tangible Assets		1,23,84,41,252		28,70,14,520	
(ii) Intangible Assets		30,55,026		20,80,923	
(iii) Capital work-in-progress		14,08,57,432		3,26,02,073	
b) Non-current Investments	11	53,49,020		48,49,020	
c) Long-term Loans and Advances	12	8,16,26,520		6,41,41,062	
d) Other non-current Assets	13	40,87,06,381	1,87,80,35,631	25,59,31,115	64,66,18,713
5. CURRENT ASSETS					
a) Current Investments	14	-		25,00,00,000	
b) Inventories	15	91,50,35,827		61,09,62,987	
c) Trade Receivables	16	3,56,24,35,244		3,36,42,23,862	
d) Cash and Cash Equivalents	17	86,70,65,945		1,33,94,41,575	
e) Short-term Loans and Advances	18	1,67,17,95,154		76,49,66,460	
f) Other Current Assets	19	14,92,88,731	7,16,56,20,901	9,34,93,274	6,42,30,88,158
			9,04,36,56,532		7,06,97,06,871
Significant Accounting Policies and Notes on Financial Statements	1 to 33				

As per our Report of even date attached

For M/s. SRB & Associates
Chartered Accountants
(Firm Regn. No. 310009E)

Sanjeet Patra
(Partner)
Membership No. 056121
Kolkata, 28th May, 2012

For and on behalf of the Board

Manoj Toshniwal
Managing Director

Ramesh Chandra Bardia
Jt. Managing Director

Chandra Sekhar Adhikary
Company Secretary

Profit and Loss Account for the year ended 31st March, 2012

	Note No.	For the Year Ended 31st March, 2012 ₹		For the Year Ended 31st March, 2011 ₹	
I. INCOME					
Revenue from Operations	20		12,06,27,10,014		9,01,62,38,197
Other Income	21		4,38,79,599		2,64,42,872
Total			**12,10,65,89,613**		**9,04,26,81,070**
II EXPENDITURE					
Cost of Materials Consumed	22		8,56,58,75,250		7,25,30,85,656
Change in inventories of Finished goods work-in-progress and Stock-in-Trade	23		1,18,86,499		(7,31,22,417)
Employee benefits Expense	24		40,68,73,929		21,43,15,214
Finance Costs	25		19,10,79,864		8,31,68,917
Depreciation and Ammortisation	26		4,77,62,484		1,50,79,119
Other Expenses	27		2,02,10,53,200		91,87,46,636
Total			**11,24,45,31,226**		**8,41,12,73,124**
Profit before Exceptional, Extraordinary items and Taxation			86,20,58,387		63,14,07,946
Add/Less: Exceptional Items			-		-
Profit before Extraordinary items and Taxation			86,20,58,387		63,14,07,946
Add/Less: Extraordinary Items			-		-
Profit before Taxation from continuing operations			86,20,58,387		63,14,07,946
Tax Expenses:					
- Current Tax (MAT/IT)		23,22,93,051		17,72,44,972	
Tax adjustment of an earlier year		6,26,668			
Interest on Income tax		1,30,47,304			
- Deferred Tax (Expense)/Benefit-for Current Year		4,74,01,793	29,33,68,816	3,24,92,962	20,97,37,934
Profit after Taxation from continuing operations for the year			56,86,89,571		42,16,70,012
- Deferred Tax (Expense)/Benefit-for Earlier Years		(4,86,525)		4,98,64,087	
(A) Profit after Taxation from continuing operations			**56,91,76,096**		**37,18,05,925**
Profit before Taxation from discontinuing operations			-		-
Less: Tax Expense for discontinuing operations			-		-
(B) Profit after Taxation from discontinuing operations			-		-
Profit after Taxation for the period (A+B)			56,91,76,096		37,18,05,925
Earnings per Equity Share (Face Value of)	28				
- Basic			17.25		11.27
- Diluted			17.25		11.27
Significant Accounting Policies and Notes on Financial Statements	1 to 33				

As per our Report of even date attached

For M/s. SRB & Associates
Chartered Accountants
(Firm Regn No. 310009E)

Sanjeet Patra
(Partner)
Membership No. 056121
Kolkata, 28th May, 2012

For and on behalf of the Board

Manoj Toshniwal
Managing Director

Ramesh Chandra Bardia
Jt. Managing Director

Chandra Sekhar Adhikary
Company Secretary

Cash Flow Statement for the year ended 31st March, 2012

	Year Ended 31st March, 2012 ₹	Year Ended 31st March, 2011 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax as per Profit and Loss Account	86,20,58,387	63,14,07,946
Adjusted for:		
Depreciation/Amortization	4,77,62,484	1,50,79,119
Interest on Fixed Deposit	(4,29,63,748)	(1,88,72,019)
Interest Expenses - Financial Cost	19,72,65,213	8,31,68,917
Profit on sale of Fixed Assets	-	-
Operating Profit Before Working Capital Changes:	1,06,41,22,337	71,07,83,962
Adjusted for (Increase (-)/Decrease(+)) in:		
Inventories	(30,40,72,840)	(45,14,97,162)
Sundry Debtors	(28,83,30,761)	(1,36,96,42,503)
Loans and Advances	(1,04,27,65,496)	(57,04,23,913)
Current Liabilities and Provisions	(19,05,77,648)	3,17,47,49,976
	(1,82,57,46,746)	78,31,86,398
Cash Flow From Operating Activities	(76,16,24,409)	1,49,39,70,360
Taxes Paid	(20,94,61,303)	-
Cash Flow From Operating Activities (A)	**(97,10,85,712)**	**1,49,39,70,360**
	-	
B. CASH FLOW FROM INVESTING ACTIVITIES	-	
Fixed Asset Purchased	(1,10,86,29,616)	(19,55,33,907)
Investment in Subsidiary	(5,00,000)	(30,00,000)
Purchase of Current Investments		(25,03,49,020)
Sale of Current Investment	25,00,00,000	
Interest on Fixed Deposit	4,29,63,748	1,88,72,019
Cash Flow From Investing Activities (B)	**(81,61,65,868)**	**(43,00,10,908)**
C. CASH FLOW FROM FINANCING ACTIVITIES	-	
Proceeds from Short-Term Borrowings	(2,92,00,000)	13,65,00,000
Increase in Capital and Reserves	-	-
Proceeds from Long-Term Borrowings	41,22,88,080	(19,01,61,900)
Interest Paid	(19,72,65,213)	(8,31,68,917)
Dividend paid Including Tax	(3,84,80,888)	
Cash Flow From Financing Activities (C)	**14,73,41,979**	**(13,68,30,817)**
Net Increase in Cash and Cash Equivalents (A+B+C)	(1,63,99,09,601)	92,71,28,635
Opening Balance of Cash and Cash Equivalents	1,33,94,41,576	41,23,12,941
Closing Balance of Cash and Cash Equivalents	**(30,04,68,025)**	**1,33,94,41,576**
Notes:		
1. All figures in brackets are outflow.		
2. Cash and Cash Equivalent is (Cash and Bank balances & Cash Credit balances) as per Balance Sheet.		

As per our Report of even date attached

For M/s. SRB & Associates
Chartered Accountants
(Firm Regn No. 310009E)

Sanjeet Patra
(Partner)
Membership No. 056121
Kolkata, 28th May, 2012

For and on behalf of the Board

Manoj Toshniwal
Managing Director

Ramesh Chandra Bardia
Jt. Managing Director

Chandra Sekhar Adhikary
Company Secretary

Significant Accounting Policies and Notes annexed to and forming part of Company's Balance Sheet and Profit and Loss Account as at and for the year ended 31st March, 2012

A) SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation

The financial statements are prepared under the Historical cost convention method, using the accrual system of accounting in accordance with the Generally Accepted Accounting Principles in India and the requirements of the Companies Act, 1956, including the Notified Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006.

ii) Revenue Recognition

Revenue from sale of goods and services rendered is recognized upon transfer of title and rendering of services to the customers.

iii) Fixed Assets

Fixed Assets are stated at cost of acquisition inclusive of duties (net of CENVAT / VAT), taxes, borrowing costs directly attributable to acquisition, incidental expenses and erection / commissioning etc., upto the date, the asset is ready for its intended use.

iv) Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of wherever the carrying amount of an asset exceeds it's recoverable amount which represents the impairment based on external / internal factor. An impairment loss is recognized greater of the net selling price and value in use of the assets. The estimated cash flows considered for determining the value in use, are discounted to the present value at weighted average cost of capital.

v) Foreign Currency Transactions

a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Differences

Exchange differences arising on the settlement/conversion of monetary items are recognized as income or expenses in the year in which they arise.

The premium or discount arising at the inception of forward exchange contracts is amortized as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expense for the year.

vi) Depreciation

a) Depreciation on all Fixed Assets are calculated under Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956

b) Depreciation is calculated on prorata basis on additions and deletions of Fixed Assets during the year except for assets costing ₹ 5,000/- or less on which 100% Depreciation is provided.

c) Depreciation on individual items of plant and machinery costing ₹ 5,000/- or less is being provided at normal applicable rates, whenever aggregate cost of such items constitute more than 10% of the total cost of plant and machinery in accordance with amendments to Schedule XIV to the Companies Act, 1956 vide Notification No. GSR No. 101(E) dated 01.03.1995.

d) In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

e) Computer software costs capitalized are amortized using the Straight Line Method over estimated useful life of 10 years, as estimated at the time of capitalization.

vii) Investments

Long-term Investments are stated at Cost, short-term investments are valued at cost or market price which ever is less.

viii) Inventories

Inventories are valued as under –

a) Raw materials, Finished goods, Stores spares, loose tools and Erection materials are valued at lower of cost and net realisable value. Closing stock has been valued on Weighted Average basis.

b) Saleable scraps, whose cost is not identifiable, are valued at estimated realisable value.

ix) Research and Development

Research and development expenditure of revenue nature are charged to Profit and Loss Account.

x) Employee Benefits

i) Short-term employee benefits are charged off at the undiscounted amount in the year in which the related services is rendered.

ii) Post employment and other long-term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long-term benefits are charged to Profit and Loss Account.

xi) Earning per Share

Basic earning per share is calculated by dividing the net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii) Excise Duty and Custom Duty

Excise duty on finished goods stock lying at factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the Balance Sheet date. Similarly, Customs duty on imported material in transit / lying in bonded warehouse is accounted for at the time, the same are released from Custom / Bonded warehouse.

xiii) Borrowing Costs

Borrowing Costs relating to acquisition / construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

xiv) Taxation

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantially enacted as on the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

xv) Segment Reporting

a) Identification of segments

The Company has identified its business segments as the primary segments. The Company's businesses are organized and managed separately according to the nature of products / services, with each segment representing a strategic business unit that offers different products / services and serves different markets.

b) Allocation of Common Costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head " Unallocated".

xvi) Sales

Resulting from the nature of business of the Company, bill relating to price variation, excess supplies and extra works etc. are raised by the Company on the basis of the terms of the contract. Such bills are settled by the customers during the course of or at the end of the contracts. As such only those bills which are acceptable by the customers are accounted for in the books.

xvii) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Notes on Financial Statements as at 31st March, 2012

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
NOTE - 1		
SHARE CAPITAL		
Authorised		
7,50,00,000 Equity Shares of ₹ 10/-each	75,00,00,000	75,00,00,000
	75,00,00,000	75,00,00,000
Issued, Subscribed and Paid-up		
3,30,00,000 Equity Shares of ₹ 10/- each fully paid-up	33,00,00,000	33,00,00,000
	33,00,00,000	33,00,00,000

Reconciliation of the no. of shares outstanding at the beginning and at the end of the year

	Number of Shares	
	As at 31st March, 2012	As at 31st March, 2011
Number of shares outstanding at the beginning of the year	3,30,00,000	3,30,00,000
Add: Arising out of shares issued during the year	-	-
	3,30,00,000	3,30,00,000
Less: Shares forfeited / brought back / cancelled during the year	-	-
Number of shares outstanding at the end of the year	3,30,00,000	3,30,00,000

Notes:

Details of changes in Share Capital :-

a) of the above share 2,92,51,180 shares are allotted as fully paid-up for payment in Cash.

b) of the above shares 48,000 shares are allotted as fully paid-up pursuant to a contract without payments received in cash.

c) of the above shares 6,90,000 shares are allotted as fully paid-up by way of bonus shares by capitalization of General Reserves.

d) of the above 10,820 shares are allotted as fully paid upon cancellation and conversion of 1,082 cumulative preference shares of ₹ 100/- each fully paid-up.

e) of the above 30,00,000 shares are allotted fully paid upon cancellation and conversion of 30,00,000 non-cumulative redeemable preference shares of ₹ 10/- each.

f) Number of shares held by each share holder holding more than 5% shares in the Company are as follows:

Particulars	Number of Shares		% of Shareholding	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
Equity Shares:				
i) MKN Investments Pvt. Ltd.		48,36,626	-	14.66
ii) Pyramid Sales Pvt. Ltd.	59,04,305	59,04,305	17.89	17.89
iii) Trinetra Electronics Ltd.	24,48,528	24,48,528	7.42	7.42
iv) Tamkore Investments Pvt. Ltd.	24,00,000	24,00,000	7.27	7.27
v) Metalind Private Ltd.	28,50,000	30,00,000	8.64	9.10
vi) Subhas Impex Pvt. Ltd.	33,96,056	33,96,056	10.29	10.29
vii) Statefield Trade Link Pvt. Ltd.	18,00,000	18,00,000	5.45	5.45
viii) Mr. Vinod Dugar	43,18,624	36,81,998	13.09	11.16
ix) Ms. Sheetal Dugar	44,29,145	-	13.42	-
x) Mr. Ramesh Chandra Bardia	19,00,000	19,00,000	5.76	5.76

	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
NOTE - 2				
RESERVE AND SURPLUS				
Capital Reserves				
As per last Balance Sheet		14,51,991		14,51,991
Revaluation Reserves				
As per last Balance Sheet	48,17,355		50,30,426	
Less: Transferred to Depreciation Account	2,10,938	46,06,417	2,13,071	48,17,355
Share Premium				
As per last Balance Sheet		27,00,00,000		27,00,00,000
Forfeiture Reserve Account				
As per last Balance Sheet		51,250		51,250
Surplus				
As per last Balance Sheet	23,32,03,038		(10,01,21,998)	
Add: Profit after tax earned during the period	56,91,76,096		37,18,05,924	
Less: Proposed Dividend	3,30,00,000		3,30,00,000	
Less: Dividend Distribution Tax	53,53,425	76,40,25,709	54,80,888	23,32,03,038
Other Reserves				
As per last Balance Sheet	3,84,80,888		-	
Add : Dividend Proposed including distribution tax for the year 10-11			3,84,80,888	
Less: Dividend and Distribution tax paid/ transferred to Unpaid Dividend	(3,84,80,888)		-	
Add : Dividend Proposed including distribution tax for the year 11-12	3,83,53,425	38,353,425	-	3,84,80,888
		1,07,84,88,792		**54,80,04,522**
NOTE - 3				
LONG- TERM BORROWINGS				
Secured				
Term Loan				
From Banks		42,06,02,685		-
From Others (IRD. Government of W.B)		7,04,84,361		7,54,84,361
Car Loan		3,77,715		7,86,201
Unsecured Loan - Others		13,73,00,000		16,65,00,000
		62,87,64,761		**24,27,70,562**

NOTE - 3.1

1. Term Loans from Banks are secured by way of creation of charge ranking *parri passu* on the Fixed Assets of Solar Power Project and all other existing and future movable and immovable assets of the company. The loans are further secured by personal guarantees of some of the Promoter Directors of the Company.
2. All Term Loans from Banks are Repayable over 44 Quarterly Installments commencing from the quarter beginning 1st October, 2012.
3. Loan from Government of West Bengal is secured by way of *parri passu* charge ranking next only to the charges in favour of financial institutions / Banks, on the fixed assets of the Company, both present as well as future. The Loan is repayable in fourteen equal annual installments (excluding interest) starting from 31st March, 2013. The Loan carries interest of 8.75% p.a. with a rebate of 2% p.a. for timely repayment. Interest is paid as and when due.
4. Vehicle loan is secured by way of mortgage of vehicle. The loan carries interest of 12.20 % and is repayable within next two years.

NOTE - 3.2

5. As per understanding with the lenders unsecured loans amounting to ₹ 13,73,00,000 are not envisaged to be refunded in the near future.

Notes on Financial Statements as at 31st March, 2012 (Contd.)

	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
NOTE - 4				
DEFERRED TAX LIABILITIES (NET)				
Opening Balance	58,98,178		(7,64,58,871)	
Add - Adjustment for current year	4,74,01,793		3,24,92,962	
- Adjustment for previous year	(4,86,525)		4,98,64,087	
Closing Balance		5,28,13,446		58,98,178
NOTE - 5				
OTHER LONG-TERM LIABILITIES				
Advances from Customers		1,27,55,88,159		94,75,17,451
Trade Payables (payable beyond 12 months)		26,34,81,832		18,54,73,642
		1,53,90,69,991		1,13,29,91,093
NOTE - 6				
SHORT-TERM BORROWINGS				
i) Working Capital Loan - Secured				
From Banks - repayable on demand		1,16,75,33,972		-
ii) Other Loans and Advances - Unsecured				
Advance from Customers		1,80,41,79,374		1,13,13,00,000
		2,97,17,13,346		1,13,13,00,000

NOTE - 6.1

Working Capital Facilities are secured by way of:

1. Hypothecation on *pari passu* basis of the entire Stock-in-Trade, Book Debts and any other current assets of the Company, both present and future.
2. First charge on the entire immovable and movable Fixed Assets of the Company and equitable mortgage on Landed properties of the Company at Naini (Allahabad) excluding the assets of solar power project.
3. Personal guarantees of some of the Promoter Directors of the Company.

NOTE - 7				
TRADE PAYABLES				
Sundry Creditors for goods and expenses		2,30,43,16,982		3,42,95,35,149
		2,30,43,16,982		3,42,95,35,149
NOTES - 8				
OTHER CURRENT LIABILITIES				
i) Current maturities of long-term debt:				
Term Loan (Amount to be paid in one year)	2,80,00,000		3,09,50,377	
Car Loan (Amount to be paid in one year)	4,08,546	2,84,08,546	3,64,288	3,13,14,665
ii) Unpaid Dividend		2,05,887		-
iii) Interest Accrued but not paid		33,14,435		2,10,000
iv) Other Liabilities		6,68,70,272		40,43,7,730
		9,87,99,140		7,19,62,395
NOTE - 9				
SHORT-TERM PROVISIONS				
Provision for Gratuity		13,62,245		-
Provision for Income Tax (Net of advance tax)		3,65,05,720		17,72,44,972
Other Provision *		18,22,110		-
		3,96,90,075		17,72,44,972

* Other provision includes liability for excise duty payable on clearance of goods lying in closing stock as on 31st March, 2012

NOTE - 10
FIXED ASSETS

Particular of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Gross Block as on 31st March, 2011	Addition during the year	Sale/ Adjustments during the year	Gross Block as on 31st March, 2012	Accumulated Depreciation upto 31st March, 2011	Depreciation during the year	Deduction / Adjustment during the year	Accumulated Depreciation upto 31st March, 2012	As at 31st March, 2012	As at 31st March, 2011
TANGIBLE ASSETS (A)										
FREEHOLD LAND	34,50,280	-	-	34,50,280		-	-	-	34,50,280	34,50,280
BUILDING AND STRUCTURES	3,31,17,459	4,58,28,061	-	7,89,45,520	1,08,14,217	15,55,505	-	1,23,69,722	6,65,75,798	2,23,03,242
PLANT AND MACHINERY	42,73,50,505	93,58,90,381		1,36,32,40,886	18,44,33,104	4,25,96,346		22,70,29,450	1,13,62,11,436	24,29,17,401
VEHICLES	97,13,234	24,25,076	-	1,21,38,310	73,73,453	2,97,394	-	76,70,847	44,67,463	23,39,781
FURNITURE, FIXTURE AND OFFICE EQUIPMENT	3,05,53,166	1,48,68,041		4,54,21,207	1,45,49,350	31,35,581		1,76,84,931	2,77,36,276	1,60,03,816
TOTAL (A)	**50,41,84,644**	**99,90,11,559**	**-**	**1,50,31,96,203**	**21,71,70,124**	**4,75,84,827**	**-**	**26,47,54,951**	**1,23,84,41,252**	**28,70,14,520**
INTANGIBLE ASSETS (B)										
COMPUTER SOFTWARE, LICENCES FOR SOFTWARE	25,23,252	13,62,699	-	38,85,951	4,42,329	3,88,596		8,30,925	30,55,026	20,80,923
TOTAL (A+B)	**50,67,07,896**	**1,00,03,74,257**	**-**	**1,50,70,82,153**	**21,76,12,453**	**4,79,73,422**	**-**	**26,55,85,875**	**1,24,14,96,278**	**28,90,95,443**
PREVIOUS YEAR	33,90,94,898	16,76,12,998		50,67,07,896	20,23,20,263	1,52,92,190		21,76,12,453	28,90,95,443	

Notes on Financial Statements for the year ended 31st March, 2012 (Contd.)

	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
NOTE - 11				
NON CURRENT INVESTMENTS				
Unquoted at Cost in wholly owned subsidiaries				
25,000 (P.Y: 25,000) Shares of ₹ 100/- each fully paid in EMC Hardware Ltd. at cost	15,00,000		15,00,000	
50,000 (P.Y: 50,000) Shares of ₹ 10/- each fully paid in EMC Infrastructure Ltd. at cost	5,00,000		5,00,000	
50,000 (P.Y: 50,000) Shares of ₹ 10/- each fully paid in EMC Logistics Ltd. at cost	5,00,000		5,00,000	
50,000 (P.Y: 50,000) Shares of ₹ 10/- each fully paid-up in EMC Energy Ltd. at cost	5,00,000		5,00,000	
50,000 (P.Y:50,000) Shares of ₹ 10/- each fully paid-up in EMC Power Ltd. at cost	5,00,000		5,00,000	
50,000 (P.Y: 50,000) Shares of ₹ 10/- each fully paid-up in EMC Solar Ltd. at cost	5,00,000		5,00,000	
50,000 (P.Y: 50,000) Shares of ₹ 10/- each fully paid-up in EMC Academy Ltd. at cost	5,00,000		5,00,000	
50,000 (P.Y: Nil) Shares of ₹ 10/- each fully paid-up in EMC Overseas Ltd. at cost	5,00,000		-	
		50,00,000		45,00,000
Quoted at Cost				
3,878 (P.Y: 3,878) Shares of ₹ 10/- each fully paid-up in Powergrid	3,49,020		3,49,020	
Corporation of India Ltd. (Market Value - ₹ 4,19,406, (P.Y ₹ 3,94,780))		3,49,020		3,49,020
		53,49,020		**48,49,020**
NOTE - 12				
LONG-TERM LOANS AND ADVANCES				
(Unsecured, Considered Good)				
i) Advance Sales Tax	8,16,26,520	8,16,26,520	6,41,41,062	6,41,41,062
		8,16,26,520		**6,41,41,062**
NOTES - 13				
OTHER NON-CURRENT ASSETS				
(Unsecured, Considered Good)				
i) Trade Receivables (over six months)	3,27,42,208		3,27,42,208	
Less: Provision for Doubtful Debts	-		-	
(Unsecured ,Considered Good)	3,27,42,208		3,27,42,208	
Trade Receivables (less than six months)	28,87,71,724		19,86,52,345	
ii) Security deposits (Maturing beyond 12 months)	6,23,04,575		36,15,575	
iii) Prepaid Expenses	2,48,87,874		2,09,20,987	
		40,87,06,381		25,59,31,115
		40,87,06,381		25,59,31,115
NOTES - 14				
CURRENT INVESTMENTS				
Quoted at Cost				
19607074.232 units of SBI-Ultra Short-Term Fund	Nil		25,00,00,000	
(Market Value - Previous year ₹ 25,10,01,921)		-		**25,00,00,000**

	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
NOTE - 15				
INVENTORIES				
Raw Materials		2,87,22,345		2,29,90,140
Stores, Loose Tools and Spares		7,88,36,846		3,03,61,000
Semi Finished Goods and Work-in-Progress		3,90,49,331		6,20,38,998
Finished Goods		5,56,78,270		4,48,24,604
Erection Material at Site		52,50,12,600		26,32,61,313
Construction work-in-progress		18,67,83,863		18,67,83,863
Scrap		9,52,572		7,03,069
		91,50,35,827		**61,09,62,987**
NOTE - 16				
TRADE RECEIVABLES				
(Unsecured, Considered Good)				
Debts over six months (realisable within 12 months)	49,97,07,505		65,18,47,482	
Debts less than six months	3,06,27,27,739		2,71,23,76,380	
		3,56,24,35,244		**3,36,42,23,862**
NOTE - 17				
CASH AND CASH EQUIVALENTS				
(i) Balances with Scheduled Banks:				
(a) In Current Accounts	10,51,38,383		76,66,34,652	
(b) In Fixed Deposit and Margin Accounts	73,19,41,023		44,70,34,728	
(c) In Cash Credit	56,06,718		11,35,85,891	
(d) In Dividend Account	2,06,597		-	
	84,28,92,721		1,32,72,55,271	
(ii) Cash on Hand	2,41,73,224	86,70,65,945	1,21,86,303	1,33,94,41,575
(Includes Cheque in hand - ₹ 1,52,08,000 (P.Y. - ₹ 52,91,000))		**86,70,65,945**		**1,33,94,41,575**
# Fixed Deposit includes ₹ 72,84,98,870 towards Margin Money against non-fund based facilities from banks.				
NOTE - 18				
SHORT-TERM LOANS AND ADVANCES				
(Unsecured, Considered Good)				
i) Advance to Related Parties	40,51,481		12,26,311	
ii) Advance Statutory Payments	16,12,89,974		17,28,65,685	
iii) Advances to Employees	95,92,045		47,66,124	
iii) Advances to Suppliers	1,49,68,61,654		58,61,08,340	
		1,67,17,95,154		76,49,66,460
		1,67,17,95,154		**76,49,66,460**
Notes:				
a) Loans and Advances				
Debts due by Directors or other officers of the Company or from a Private Company in which Director of the Company is a Director/Member:				
i) Private Companies		55,565		-
ii) Subsidiary Company		40,51,481		12,26,311
NOTE - 19				
OTHER CURRENT ASSETS				
i) Security Deposits	3,47,95,865		2,20,44,503	
ii) Prepaid Expenses and Others	11,44,92,866		7,14,48,771	
		14,92,88,731		9,34,93,274
		14,92,88,731		**9,34,93,274**

Notes on Financial Statements for the year ended 31st March, 2012 (Contd.)

	For the Year Ended 31st March, 2012 ₹		For the Year Ended 31st March, 2011 ₹	
NOTE - 20				
INCOME FROM OPERATIONS				
(a) Sale of Products	9,97,47,41,210		8,07,41,89,926	
(b) Sale of Services	2,14,02,69,011		95,81,28,777	
(c) Other Operating Revenue	1,26,41,443		69,27,577	
	12,12,76,51,664	-	9,03,92,46,280	
Less: Excise Duty	6,49,41,650	12,06,27,10,014	2,30,08,083	9,01,62,38,197
		12,06,27,10,014		**9,01,62,38,197**
NOTE - 21				
OTHER INCOME				
Interest	4,29,63,748		1,88,72,019	
Insurance Claim Received	-		62,28,222	
Miscellaneous Income	9,15,851	4,38,79,599	13,42,630	2,64,42,872
		4,38,79,599		**2,64,42,872**

NOTE - 22
MATERIAL CONSUMED

Particulars	Raw Material Opening Stock		Goods Purchased		Consumption		Raw Material Closing Stock	
	As at 1st April, 2011 ₹	As at 1st April, 2010 ₹	For the year ended on 31st March, 2012 ₹	For the year ended on 31st March, 2011 ₹	For the year ended on 31st March, 2012 ₹	For the year ended on 31st March, 2011 ₹	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
RAW MATERIALS (A)								
Steel	1,71,50,099	44,49,022	45,74,19,984	16,10,16,461	45,70,30,187	14,83,15,384	1,75,39,896	1,71,50,099
Aluminium	42,19,763	72,54,385	17,25,26,422	3,46,68,849	17,10,74,120	3,77,03,471	56,72,065	42,19,763
Zinc	12,30,068	67,28,953	5,28,96,796	1,83,82,442	5,02,44,372	2,38,81,327	38,82,493	12,30,068
Other Materials	3,90,211	12,62,901	56,80,216	33,37,340	44,42,535	42,10,030	16,27,891	3,90,211
Total (A)	**2,29,90,140**	**1,96,95,261**	**68,85,23,418**	**21,74,05,091**	**68,27,91,213**	**21,41,10,212**	**2,87,22,345**	**2,29,90,140**
STORE, TOOLS AND SPARES (B)								
Stores and Spares	3,03,61,000	1,59,96,678	9,99,21,709	5,48,36,538	5,14,45,863	4,04,72,216	7,88,36,846	3,03,61,000
Total (B)	**3,03,61,000**	**1,59,96,678**	**9,99,21,709**	**5,48,36,538**	**5,14,45,863**	**4,04,72,216**	**7,88,36,846**	**3,03,61,000**
ERECTION MATERIALS (C)								
Erection and Concreting Material	45,00,45,176	8,92,97,851	91,43,07,980	64,03,18,668	65,25,56,693	27,95,71,343	71,17,96,463	45,00,45,176
Total (C)	**45,00,45,176**	**8,92,97,851**	**91,43,07,980**	**64,03,18,668**	**65,25,56,693**	**27,95,71,343**	**71,17,96,463**	**45,00,45,176**
OTHER MATERIALS (D)								
Project Purchases		-	7,17,90,68,281	6,71,89,00,105	7,17,90,81,481	6,71,89,00,105		-
Land (Used for Development)		31,780		-	-	31,780	-	-
Total (D)		**31,780**	**7,17,90,68,281**	**6,71,89,00,105**	**7,17,90,81,481**	**6,71,89,31,885**	**-**	**-**
Grand Total	**50,33,96,316**	**12,50,21,571**	**8,88,18,21,388**	**7,63,14,60,401**	**8,56,58,75,250**	**7,25,30,85,656**	**81,93,55,654**	**50,33,96,316**

NOTE - 22.1
VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED

Particulars	For the year ended on 31st March, 2012		For the year ended on 31st March, 2011	
	Value (₹)	Percentage (%)	Value (₹)	Percentage (%)
Imported	-	-	-	-
INDIGENOUSLY OBTAINED:				
Raw Materials	8,51,44,29,387	100%	7,21,26,13,440	100%
Stores, Spare Parts and Components	5,14,45,863	100%	4,04,72,216	100%
Total	**8,56,58,75,250**	**100%**	**7,25,30,85,656**	**100%**

Notes on Financial Statements for the year ended 31st March, 2012 (Contd.)

	For the Year Ended 31st March, 2012 ₹		For the Year Ended 31st March, 2011 ₹	
NOTE - 22.2				
CIF VALUE OF IMPORTS				
Capital Goods		18,46,19,614		11,63,31,322
NOTE - 23				
CHANGES IN INVENTORIES				
OPENING STOCK:				
Finished Goods	4,48,24,604		2,31,23,288	
Semi Finished Goods and Work-in-Progress	6,20,38,998		1,08,02,887	
Scrap Materials	7,03,069		5,18,079	
	10,75,66,671		**3,44,44,254**	
CLOSING STOCK:				
Finished Goods	5,56,78,269		4,48,24,604	
Semi Finished Goods and Work-in-Progress	3,90,49,331		6,20,38,998	
Scrap Materials	9,52,572		7,03,069	
	9,56,80,172	1,18,86,499	10,75,66,671	(7,31,22,417)
INCREASE (-) / DECREASE (+)		**1,18,86,499**		**(7,31,22,417)**
NOTE - 24				
EMPLOYEE BENEFIT EXPENSES				
(a) Salary, Wages and Bonus		36,63,03,294		16,05,29,243
(b) Contribution to Providend and Other Funds		1,36,49,243		3,14,32,517
(c) Workmen and Staff Welfare Expenses		91,71,553		46,84,037
(d) Directors' Remuneration		1,74,68,050		1,66,46,426
(e) Gratuity to Staff		2,81,789		10,22,991
		40,68,73,929		21,43,15,214

NOTE - 24.1

As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting standard are given below:

DEFINED BENEFIT PLAN

The employees' gratuity fund scheme managed by a trust is a defined benefit plan. The Present Value of obligations is determined based on actuarial valuation using the Projected Unit Cost Method.

		2011-12	2010-11
1.	Change in Defined Benefit Obligation:		
	Defined Benefit Obligation at the beginning of the year	₹ 2,42,68,975	NIL
	Interest Cost	₹ 19,41,518	NIL
	Current Service Cost	₹ 15,43,705	NIL
	Benefits Paid	₹ (25,93,088)	NIL
	Actuarial Gain / (Loss) on Obligation	₹ 17,38,104	₹ 2,42,68,975
	Present Value of obligation as at the end of the year	₹ 2,68,99,214	₹ 2,42,68,975

	2011-12	2010-11
2. Change in Fair Value of the Asset		
Fair Value of the plan assets at the beginning of the year	₹ 2,58,20,367	NIL
Expected returns on plan assets	₹ 23,01,021	NIL
Contributions	₹ 8,669	₹ 2,58,20,367
Benefits paid	₹ (25,93,088)	NIL
Actuarial Gain / (Loss) on plan assets	NIL	NIL
Fair Value of Plan assets at the end of the year	₹ 2,55,36,969	₹ 2,58,20,367
3. Net Asset / (Liability) recognized in the Balance Sheet		
Fair Value of the Plan Assets	₹ 2,55,36,969	₹ 2,58,20,367
Present Value of the obligation as at the end of the year	₹ 2,68,99,214	₹ 2,42,68,975
Amount recognized in Balance Sheet	₹ (13,62,245)	₹ 15,51,392
4. Expenses recognized during the year		
(under the head contribution to provident fund and other funds)		
Current Service Cost	₹ 15,43,705	NIL
Interest Cost	₹ 19,41,518	NIL
Expected Return from Plan Asset	₹ (23,01,021)	NIL
Net Actuarial Gain / (Loss) recognized in the year	₹ 17,38,104	₹ 2,42,68,975
Expenses recognized in the statement of Profit and Loss	₹ 29,22,306	₹ 2,42,68,975

	For the Year Ended 31st March, 2012 ₹		For the Year Ended 31st March, 2011 ₹	
NOTE - 25				
FINANCE COSTS				
Interest on Term Loan		1,69,01,777		3,36,32,132
Interest on Others		18,03,63,436		4,95,36,785
		19,72,65,213		8,31,68,917
Less: Adjustment for Interest Capitalized		61,85,349		-
		19,10,79,864		8,31,68,917
NOTE - 26				
DEPRECIATION AND AMORTIZATION EXPENSE				
Depreciation for the Year	4,79,73,422		1,52,92,190	
Less: Transfer to Revaluation Reserve	2,10,938		2,13,071	
		4,77,62,484		1,50,79,119

Notes on Financial Statements for the year ended 31st March, 2012 (Contd.)

	For the Year Ended 31st March, 2012 ₹		For the Year Ended 31st March, 2011 ₹	
NOTE - 27				
OTHER EXPENSES				
Processing / Job Charges		86,16,77,296		39,82,26,457
Freight, Carriage and Transport		16,35,75,324		10,27,45,916
Power and Fuel		2,39,36,018		1,25,70,656
Rent		3,68,06,380		1,67,23,405
Insurance		83,22,221		64,95,826
Repairs and Renewals:				
Plant and Machinery	21,46,223		12,06,868	
Building	21,76,785		5,69,743	
Others	32,99,216	76,22,223	29,85,108	47,61,718
Hire Charges		3,18,14,893		1,43,29,136
Travelling and Conveyance		2,10,45,048		1,15,16,261
Auditors Remuneration:				
Audit Fees		20,00,000	1,50,000	
Other Capacity			22,000	
Expenses			15,000	1,87,000
Internal Audit Fees		1,35,000		67,500
Tax Audit		10,000		31,000
Excise Duty		18,22,110		-
Rates and Taxes		22,35,91,306		9,46,14,492
Communication Expenses		83,23,911		82,81,152
Bank Commission and Charges		53,44,24,233		16,83,61,439
Miscellaneous Expenses (A)		9,38,37,357		7,92,44,359
Translation Loss		7,14,373		-
Loss on Contract Performance		13,95,508		5,90,320
		2,02,10,53,200		**91,87,46,636**
(A) Miscellaneous Expenses				
Legal Charges, Listing and Filing Fees		28,31,817		32,59,207
Sales Promotion and Advertisement Expenses		84,33,610		24,44,438
Testing Charges		99,60,034		76,92,576
Computer / R&D Charges		13,02,128		8,42,231
Entertainment Expenses		16,75,247		6,32,337
General Charges		61,99,360		39,39,073
Office Up-Keep		32,76,156		16,98,700
Printing and Stationery		41,78,972		23,47,851
Subscription and Donation		2,06,119		24,07,373
Professional fees and Service Charges		3,83,25,487		4,95,89,408
Motor Car Expenses		2,73,421		3,41,281
Mobilization Expenses		1,37,81,704		26,15,201
Tender Fees		13,68,832		8,52,377
Others		17,31,729		3,86,935
Recruitment Expenses		2,92,740		1,95,370
		9,38,37,357		**7,92,44,359**
NOTE 27.1				
EXPENDITURE IN FOREIGN CURRENCY				
Tour Expenses		12,25,542		63,794
Others		-		-
		12,25,542		**63,794**

	31st March, 2012	31st March, 2011
NOTE - 28		
EARNINGS PER SHARE (EPS)		
i) Net Profit after tax as per statement of Profit and Loss attributable to Equity Shareholders (₹)	56,91,76,096	37,18,05,925
ii) Weighted Average number of equity shares used as denominator for calculating EPS	3,30,00,000	3,30,00,000
iii) Basic and Diluted Earnings per share (₹)	17.25	11.27
iv) Face Value per Equity Share (₹)	10.00	10.00

	31st March, 2012 ₹ in Lacs	31st March, 2011 ₹ in Lacs
NOTE - 29		
EARNINGS IN FOREIGN EXCHANGE		
FOB Value of Exports	2,318.36	-
NOTE - 30		
CONTINGENT LIABILITIES		
i) Guarantees given by Company's Bankers on behalf of the Company	47,025.46	39,611.79
ii) Claims against the Company not acknowledged as debts:		
a) Sales Tax	1,433.96	836.04
b) Others	30.45	36.80
NOTE - 31		
SEGMENT REPORTING AS PER AS - 17		
Segment Revenue:		
Project Construction Division	1,12,971.70	88,129.33
Tower Manufacturing Division	4,662.43	1,389.62
Aluminium Extrusion, Forging and Conductor Division	2,952.06	643.44
Solar Power Division	40.91	-
Segment Total	**1,20,627.10**	**90,162.39**
Segment Results:		
Project Construction Division	10,830.02	7,834.22
Tower Manufacturing Division	150.52	186.96
Aluminium Extrusion, Forging and Conductor Division	328.40	140.56
Solar Power Division	(44.41)	-
Segment Total	**11,264.53**	**8,161.74**
Unallocated income over expenses	(733.14)	(1,015.97)
Profit Before Interest and Tax	10,531.38	7,145.77
Interest	1,910.80	831.69
Provision for Current Year Tax	2,933.69	2,097.38
Profit after Current Year Tax	5,686.90	4,216.70
Provision for Deferred Tax for earlier Years	(4.87)	498.64
Profit After Tax	5,691.76	3,718.06

Notes on Financial Statements for the year ended 31st March, 2012 (Contd.)

	Assets		Liabilities	
	31st March, 2012	31st March, 2011	31st March, 2012	31st March, 2011
Segment Assets and Liabilities:				
Project Construction Division	65,424.27	47,491.17	55,124.78	55,643.30
Tower Manufacturing Division	2,766.72	4,139.95	1,852.69	1,460.06
Aluminium Extrusion, Forging and Conductor Division	3,188.73	618.76	46.58	24.30
Solar Power Division	6,901.01	-	-	-
Unallocated Assets and Liabilities	12,155.84	18,447.18	11,862.71	2,374.34
Segment Assets and Liabilities:	**90,436.57**	**70,697.06**	**68,886.76**	**59,502.00**

NOTE - 32

RELATED PARTY DISCLOSURE AS PER AS - 18

(Amount in Lacs)

Name	Relation	Particulars	Transaction During the year	Balance as on 31st March, 2012
EMC Hardware Ltd.	100% Subsidiary	Investment Advance	NIL 0.29	15.00 2.14
EMC Solar Ltd.	100% Subsidiary	Investment Advance	NIL 0.10	5.00 1.84
EMC Logistic Ltd.	100% Subsidiary	Investment Advance	NIL 0.09	5.00 1.83
EMC Power Ltd.	100% Subsidiary	Investment Advance	NIL 0.09	5.00 1.83
EMC Infrastructure Ltd.	100% Subsidiary	Investment Advance	NIL 0.09	5.00 1.83
EMC Academy Ltd.	100% Subsidiary	Investment Advance	NIL 20.63	5.00 22.35
EMC Overseas Ltd.	100% Subsidiary	Investment Advance	5.00 6.86	5.00 6.86
EMC Energy Ltd.	100% Subsidiary	Investment Advance	NIL 0.09	5.00 1.83
Mr. Manoj Toshniwal	Director	Salary	65.76	NIL
Mr. Ramesh Chandra Bardia	Director	Salary	65.76	NIL

	As at 31st March, 2012 ₹ in Lacs	As at 31st March, 2011 ₹ in Lacs
NOTE - 33		
FINANCIAL HEDGING INSTRUMENTS		
i) For hedging Currency Related Risks		
i) Forward Contracts - Outstanding Nominal Value	4,828.43	NIL

As per our Report of even date attached

For M/s. SRB & Associates
Chartered Accountants
(Firm Regn. No. 310009E)

Sanjeet Patra
(Partner)
Membership No. 056121
Kolkata, 28th May, 2012

For and on behalf of the Board

Manoj Toshniwal
Managing Director

Ramesh Chandra Bardia
Jt. Managing Director

Chandra Sekhar Adhikary
Company Secretary

Auditors' Report on Consolidated Financial Statement

To The Board of Directors
EMC Limited
(Formerly Electrical Manufacturing Company Limited)

1. We have audited the accompanying consolidated financial statement of EMC Limited ("the Company"), and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as at 31st March, 2012 and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and Significant Accounting Policies and Additional Notes. These financial statements are the responsibility of the Management of the Company and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

2. We conducted our audit in accordance with Auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We have not audited the financial statements of EMC Hardware Ltd., EMC Solar Ltd., EMC Logistic Ltd., EMC Power Ltd., EMC Infrastructure Ltd., EMC Academy Ltd., EMC Overseas Ltd. and EMC Energy Ltd., Subsidiary Companies whose financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors. The Financial Statement of these subsidiaries reflect the group's share of total assets of ₹ 92,78,945.00 and total revenue of ₹ 15,449.00 which have been considered by us in the consolidation.

4. We report that the consolidated financial statements has been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 – 'Consolidated Financial Statements' as notified by the Companies (Accounting Standard), Rules, 2006.

5. We are of the opinion that the consolidated financial statements read with Significant Accounting Policies and Additional Notes, give a true and fair view in conformity with the accounting principles generally accepted in India:

   a) in the case of the Consolidated Balance Sheet of the state of affairs of the Group as at 31st March, 2012; and

   b) in the case of Consolidated Statement of Profit and Loss of the profit of the Group for the year ended on that date; and

   c) in the case of Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For SRB & Associates
Chartered Accountants
Firm Regn. No.: 310009E

(Sanjeet Patra)
Partner
Membership No.:056121

Place : Kolkata
Dated : 28th May, 2012

Consolidated Balance Sheet as at 31st March, 2012

	Note No.	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
I. EQUITY AND LIABILITIES					
1. SHAREHOLDER'S FUNDS					
a) Share Capital	1	33,00,00,000		33,00,00,000	
b) Reserves and Surplus	2	1,07,83,81,663	1,40,83,81,663	54,79,11,042	87,79,11,042
2. NON-CURRENT LIABILITIES					
a) Long-term Borrowings	3	62,87,64,761		24,27,70,562	
b) Deferred Tax Liabilities (Net)	4	5,28,13,446		58,98,178	
c) Other Long-term Liabilities	5	1,53,90,69,991	2,22,06,48,198	1,13,29,91,093	1,38,16,59,833
3. CURRENT LIABILITIES					
a) Short-term borrowings	6	2,97,17,38,001		1,13,13,24,655	
b) Trade Payable	7	2,30,43,44,482		3,42,95,60,149	
c) Other Current Liabilities	8	9,90,27,224		7,21,04,330	
d) Short-term Provisions	9	3,97,44,429	5,41,48,54,135	17,72,99,326	4,81,02,88,460
			9,04,38,83,996		7,06,98,59,335
II. ASSETS					
4. NON-CURRENT ASSETS					
a) Fixed Assets:	10				
(i) Tangible Assets		1,23,84,44,522		28,70,18,318	
(ii) Intangible Assets		30,55,026		20,80,923	
(iii) Capital work-in-progress		14,22,74,273		3,40,18,914	
b) Non-current Investments	11	3,49,020		3,49,020	
c) Long-term Loans and Advances	12	8,16,26,520		6,41,41,062	
d) Other non-current Assets	13	41,31,66,151	1,87,89,15,512	25,71,29,344	64,47,37,581
5. CURRENT ASSETS					
a) Current Investments	14	-		25,00,00,000	
b) Inventories	15	91,50,35,827		61,09,62,987	
c) Trade Receivables	16	3,56,24,35,244		3,36,42,23,862	
d) Cash and Cash Equivalents	17	87,04,03,249		1,34,26,41,775	
e) Short-term Loans and Advances	18	1,66,78,04,933		76,37,99,355	
f) Other Current Assets	19	14,92,89,231	7,16,49,68,484	9,34,93,774	6,42,51,21,753
			9,04,38,83,996		7,06,98,59,334
Significant Accounting Policies and Notes on Financial Statements	1 to 35				

As per our Report of even date attached

For M/s. SRB & Associates
Chartered Accountants
(Firm Regn. No. 310009E)

Sanjeet Patra
(Partner)
Membership No. 056121
Kolkata, 28th May, 2012

For and on behalf of the Board

Manoj Toshniwal
Managing Director

Ramesh Chandra Bardia
Jt. Managing Director

Chandra Sekhar Adhikary
Company Secretary

Consolidated Profit and Loss Account for the year ended 31st March, 2012

	Note No.	For the Year Ended 31st March, 2012 ₹		For the Year Ended 31st March, 2011 ₹	
I. INCOME					
Revenue from Operations	20		12,06,27,10,014		9,01,62,38,197
Other Income	21		4,38,95,048		2,64,55,318
Total			12,10,66,05,062		9,04,26,93,516
II. EXPENDITURE					
Cost of Materials Consumed	22		8,56,58,75,250		7,25,30,85,656
Change in inventories of Finished goods work-in-progress and Stock-in-Trade	23		1,18,86,499		(7,31,22,417)
Employee benefits Expense	24		40,68,73,929		21,43,15,214
Finance Costs	25		19,10,79,864		8,31,68,917
Depreciation and Amortization	26		4,77,63,012		1,50,79,733
Other Expenses	27		2,02,10,81,770		91,87,58,305
Total			11,24,45,60,324		8,41,12,85,408
Profit before Exceptional, Extraordinary items and Taxation			86,20,44,738		63,14,08,108
Add / Less: Exceptional Items			-		-
Profit before Extraordinary items and Taxation			86,20,44,738		63,14,08,108
Add / Less: Extraordinary Items			-		-
Profit before Taxation from continuing operations			86,20,44,738		63,14,08,108
Tax Expenses:					
- Current Tax (MAT / IT)		23,22,93,051		17,72,44,972	
- Tax adjustment of an earlier year		6,26,668	-	-	
- Interest on Income tax		1,30,47,304	-	-	
- Deferred Tax (Expense) / Benefit-for Current Year		4,74,01,793	29,33,68,816	3,24,92,962	20,97,37,934
Profit after Taxation from continuing operations for the year			56,86,75,922		42,16,70,174
- Deferred Tax (Expense) / Benefit-for Earlier Years		(4,86,525)		4,98,64,087	
(A) Profit after Taxation from continuing operations			56,91,62,447		37,18,06,087
Profit before Taxation from discontinuing operations			-		-
Less: Tax Expense for discontinuing operations			-		-
(B) Profit after Taxation from discontinuing operations			-		-
Profit after Taxation for the period (A+B)			56,91,62,447		37,18,06,087
Earnings per Equity Share (Face Value of)	28				
- Basic			17.25		11.27
- Diluted			17.25		11.27
Significant Accounting Policies and Notes on Financial Statements	1 to 35				

As per our Report of even date attached

For M/s. SRB & Associates
Chartered Accountants
(Firm Regn. No. 310009E)

Sanjeet Patra
(Partner)
Membership No. 056121
Kolkata, 28th May, 2012

For and on behalf of the Board

Manoj Toshniwal
Managing Director

Ramesh Chandra Bardia
Jt. Managing Director

Chandra Sekhar Adhikary
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2012

	Year Ended 31st March, 2012 ₹	Year Ended 31st March, 2011 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax as per Profit and Loss Account	86,20,44,738	63,14,08,108
Adjusted for:		
Depreciation/Amortization	4,77,63,012	1,50,79,733
Interest on Fixed Deposit	(4,29,79,197)	(1,88,84,465)
Interest Expenses - Financial Cost	19,72,65,213	8,31,68,917
Miscellaneous Expenditure to the extent not written off	(32,61,541)	(11,98,229)
Operating Profit Before Working Capital Changes:	1,06,08,32,226	70,95,74,064
Adjusted for (Increase (-)/Decrease(+)) in:	-	
Inventories	(30,40,72,840)	(45,14,97,162)
Sundry Debtors	(28,83,30,761)	(1,36,96,42,503)
Loans and Advances	(1,03,99,42,380)	(56,93,72,553)
Current Liabilities and Provisions	(19,05,43,353)	3,17,49,06,912
	(1,82,28,89,335)	78,43,94,694
Cash Flow From Operating Activities	(76,20,57,109)	1,49,39,68,758
Taxes Paid	(20,94,06,949)	-
Cash Flow From Operating Activities (A)	**(97,14,64,058)**	**1,49,39,68,758**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Asset Purchased	(1,10,86,29,616)	(19,55,33,907)
Purchase of Current Investments	-	(25,03,49,020)
Sale of Current Investment	25,00,00,000	-
Interest on Fixed Deposit	4,29,79,197	1,88,84,465
Cash Flow From Investing Activities (B)	**(81,56,50,419)**	**(42,69,98,462)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short-Term Borrowings	(2,92,00,000)	13,65,00,000
Increase in Capital and Reserves	-	-
Proceeds from Long-Term Borrowings	41,22,88,080	(19,01,61,900)
Interest Paid	(19,72,65,213)	(8,31,68,917)
Dividend paid Including Tax	(3,84,80,888)	-
Cash Flow From Financing Activities (C)	**14,73,41,979**	**(13,68,30,817)**
Net Increase in Cash and Cash Equivalents (A+B+C)	(1,63,97,72,498)	93,01,39,478
Opening Balance of Cash and Cash Equivalents	1,34,26,41,775	41,25,02,297
Closing Balance of Cash and Cash Equivalents	**(29,71,30,723)**	**1,34,26,41,775**
Notes:		
1. All figures in brackets are outflow.		
2. Cash and Cash Equivalent is (Cash and Bank balances & Cash Credit balances) as per Balance Sheet.		

As per our Report of even date attached

For M/s. SRB & Associates
Chartered Accountants
(Firm Regn. No. 310009E)

Sanjeet Patra
(Partner)
Membership No. 056121
Kolkata, 28th May, 2012

For and on behalf of the Board

Manoj Toshniwal
Managing Director

Ramesh Chandra Bardia
Jt. Managing Director

Chandra Sekhar Adhikary
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES & NOTES ANNEXED TO AND FORMING PART OF COMPANY'S CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2012

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to EMC Ltd. ('the Company') and its subsidiary companies.

The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group "Consolidated Financial Statements" balances and intra-group transactions in accordance with Accounting Standard (AS) 21.

b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

c) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements except the following:

   i) Subsidiary company provides for depreciation on the Fixed Assets at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956, on Written Down Value.

   ii) Preliminary expenses and Pre-operative expenses will be equally amortized over a period of 5 years from the year of commencement of operation on straight line basis.

OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

Notes on Consolidated Financial Statements as at 31st March, 2012

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
NOTE - 1		
SHARE CAPITAL		
Authorised		
7,50,00,000 Equity Shares of ₹ 10/- each	75,00,00,000	75,00,00,000
	75,00,00,000	75,00,00,000
Issued, Subscribed and Paid-up		
3,30,00,000 Equity Shares of ₹ 10/- each fully paid-up	33,00,00,000	33,00,00,000
	33,00,00,000	33,00,00,000

	Number of Shares	
	As at 31st March, 2012	As at 31st March, 2011
Reconciliation of the no. of shares outstanding at the beginning and at the end of the year		
Number of shares outstanding at the beginning of the year	3,30,00,000	3,30,00,000
Add: Arising out of shares issued during the year	-	-
	3,30,00,000	3,30,00,000
Less: Shares forfeited / brought back / cancelled during the year	-	-
Number of shares outstanding at the end of the year	3,30,00,000	3,30,00,000

Notes:

Details of changes in Share Capital:

a) of the above share 2,92,51,180 shares are allotted as fully paid-up for payment in Cash.

b) of the above shares 48,000 shares are allotted as fully paid-up pursuant to a contract without payments received in cash.

c) of the above shares 6,90,000 shares are allotted as fully paid-up by way of bonus shares by capitalization of General Reserves.

d) of the above 10,820 shares are allotted as fully paid upon cancellation and conversion of 1,082 cumulative preference shares of ₹ 100/- each fully paid.

e) of the above 30,00,000 shares are allotted fully paid upon cancellation and conversion of 30,00,000 non-cumulative redeemable preference shares of ₹ 10/- each.

f) Number of shares held by each share holder holding more than 5% shares in the company are as follows:

Particulars	Number of Shares		% of Shareholding	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
Equity Shares:				
i) MKN Investments Pvt. Ltd.	-	48,36,626	-	14.66
ii) Pyramid Sales Pvt. Ltd.	59,04,305	59,04,305	17.89	17.89
iii) Trinetra Electronics Ltd.	24,48,528	24,48,528	7.42	7.42
iv) Tamkore Investments Pvt. Ltd.	24,00,000	24,00,000	7.27	7.27
v) Metalind Private Ltd.	28,50,000	30,00,000	8.64	9.10
vi) Subhas Impex Pvt. Ltd.	33,96,056	33,96,056	10.29	10.29
vii) Statefield Trade Link Pvt. Ltd.	18,00,000	18,00,000	5.45	5.45
viii) Mr. Vinod Dugar	43,18,624	36,81,998	13.09	11.16
ix) Ms. Sheetal Dugar	44,29,145	-	13.42	-
x) Mr. Ramesh Chandra Bardia	19,00,000	19,00,000	5.76	5.76

	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
NOTE - 2				
RESERVE AND SURPLUS				
Capital Reserves				
As per last Balance Sheet		24,51,991		24,51,991
Revaluation Reserves				
As per last Balance Sheet	48,17,355		50,30,426	
Less: Transferred to Depreciation Account	2,10,938	46,06,417	2,13,071	48,17,355
Share Premium				
As per last Balance Sheet		27,00,00,000		27,00,00,000
Forfeiture Reserve Account				
As per last Balance Sheet		51,250		51,250
Surplus				
As per last Balance Sheet	23,21,09,558		(10,12,15,641)	
Add: Profit after tax earned during the period	56,91,62,447		37,18,06,087	
Less: Proposed Dividend	3,30,00,000		3,30,00,000	
Less: Dividend Distribution Tax	53,53,425	76,29,18,580	54,80,888	23,21,09,558
Other Reserves				
As per last Balance Sheet	3,84,80,888		-	
Add : Dividend Proposed including distribution tax for the year 2010-11			3,84,80,888	
Less : Dividend and Distribution tax paid/ transferred to Unpaid Dividend	(3,84,80,888)		-	
Add : Dividend Proposed including distribution tax for the year 2011-12	3,83,53,425	3,83,53,425	-	3,84,80,888
		1,07,83,81,663		**54,79,11,042**
NOTE - 3				
LONG-TERM BORROWINGS				
Secured				
Term Loan				
- From Banks		42,06,02,685		-
- From Others (IRD. Government of W.B)		7,04,84,361		7,54,84,361
Car Loan		3,77,715		7,86,201
Unsecured Loan - Others		13,73,00,000		16,65,00,000
		62,87,64,761		**24,27,70,562**

NOTE - 3.1

1. Term Loans from Banks are secured by way of creation of charge ranking *parri passu* on the Fixed Assets of Solar Power Project and all other existing and future movable and immovable assets of the company. The loans are further secured by personal guarantees of some of the Promoter Directors of the Company.
2. All Term Loans from Banks are Repayable over 44 Quarterly Installments commencing from the quarter beginning 1st October, 2012.
3. Loan from Government of West Bengal is secured by way of *parri passu* charge ranking next only to the charges in favour of financial institutions / Banks, on the fixed assets of the Company, both present as well as future. The Loan is repayable in fourteen equal annual installments (excluding interest) starting from 31st March, 2013. The Loan carries interest of 8.75% p.a. with a rebate of 2% p.a. for timely repayment. Interest is paid as and when due.
4. Vehicle loan is secured by way of mortgage of vehicle. The loan carries interest of 12.20 % and is repayable within next two years.

NOTE - 3.2

5. As per understanding with the lenders unsecured loans amounting to ₹ 13,73,00,000 are not envisaged to be refunded in the near future.

Notes on Consolidated Financial Statements as at 31st March, 2012 (Contd.)

	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
NOTE - 4				
DEFERRED TAX LIABILITIES (NET)				
Opening Balance	58,98,178		(7,64,58,871)	
Add - Adjustment for current year	4,74,01,793		3,24,92,962	
- Adjustment for previous year	(4,86,525)		4,98,64,087	
Closing Balance		5,28,13,446		58,98,178
NOTE - 5				
OTHER LONG-TERM LIABILITIES				
Advances from Customers		1,27,55,88,159		94,75,17,451
Trade Payables (payable beyond 12 months)		26,34,81,832		18,54,73,642
		1,53,90,69,991		1,13,29,91,093
NOTE -6				
SHORT-TERM BORROWINGS				
i) Working Capital Loan - Secured				
From Banks - repayable on demand		1,16,75,33,972		-
ii) Other Loans and Advances - Unsecured				
Advance from Customers		1,80,41,79,374		1,13,13,00,000
Others		24,655		24,655
		2,97,17,38,001		1,13,13,24,655

NOTE - 6.1

Working Capital Facilities are secured by way of :

1. Hypothecation on *pari passu* basis of the entire Stock-in-Trade, Book Debts and any other current assets of the Company, both present and future.
2. First charge on the entire immovable and movable Fixed Assets of the Company and equitable mortgage on Landed properties of the Company at Naini (Allahabad) excluding the assets of solar power project.
3. Personal guarantees of some of the Promoter Directors of the Company.

	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
NOTE - 7				
TRADE PAYABLES				
Sundry Creditors for goods and expenses		2,30,43,44,482		3,42,95,60,149
		2,30,43,44,482		3,42,95,60,149
NOTE - 8				
OTHER CURRENT LIABILITIES				
i) Current maturities of long-term debt:				
Term Loan (Amount to be paid in one year)	2,80,00,000		3,09,50,377	
Car Loan (Amount to be paid in one year)	4,08,546	2,84,08,546	3,64,288	3,13,14,665
ii) Unpaid Dividend		2,05,887		-
iii) Interest Accrued but not paid		33,14,435		2,10,000
iv) Other Liabilities		6,70,98,356		4,05,79,665
		9,90,27,224		7,21,04,330
NOTE - 9				
SHORT-TERM PROVISIONS				
Provision for Gratuity		13,62,245		-
Provision for Income Tax (Net of advance tax)		3,65,60,074		17,72,99,326
Other Provision*		18,22,110		-
		3,97,44,429		17,72,99,326

* Other provision includes liability for excise duty payable on clearance of goods lying in closing stock as on 31st March, 2012

NOTE - 10
FIXED ASSETS

Particular of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Gross Block as on 31st March, 2011	Addition during the year	Sale/ Adjustments during the year	Gross Block as on 31st March, 2012	Accumulated Depreciation upto 31st March, 2011	Depreciation during the year	Deduction / Adjustment during the year	Accumulated Depreciation upto 31st March, 2012	As at 31st March, 2012	As at 31st March, 2011
TANGIBLE ASSETS (A)										
FREEHOLD LAND	34,50,280	-	-	34,50,280		-	-	-	34,50,280	34,50,280
BUILDING AND STRUCTURES	3,31,17,459	4,58,28,061	-	7,89,45,520	1,08,14,217	15,55,505	-	1,23,69,722	6,65,75,798	2,23,03,242
PLANT AND MACHINERY	42,74,85,145	93,58,90,381		1,36,33,75,526	18,45,63,946	4,25,96,874		22,71,60,820	1,13,62,14,706	24,29,21,199
VEHICLES	97,13,234	24,25,076	-	1,21,38,310	73,73,453	2,97,394	-	76,70,847	44,67,463	23,39,781
FURNITURE, FIXTURE AND OFFICE EQUIPMENT	3,05,53,166	1,48,68,041		4,54,21,207	1,45,49,350	31,35,581		1,76,84,931	2,77,36,276	1,60,03,816
TOTAL (A)	**50,43,19,284**	**99,90,11,559**	**-**	**1,50,33,30,843**	**21,73,00,966**	**4,75,85,355**	**-**	**26,48,86,321**	**1,23,84,44,522**	**28,70,18,318**
INTANGIBLE ASSETS (B)										
COMPUTER SOFTWARE, LICENCES FOR SOFTWARE	25,23,252	13,62,699	-	38,85,951	4,42,329	3,88,596		8,30,925	30,55,026	20,80,923
TOTAL (A+B)	**50,68,42,536**	**1,00,03,74,257**	**-**	**1,50,72,16,793**	**21,77,43,295**	**4,79,73,950**	**-**	**26,57,17,245**	**1,24,14,99,548**	**28,90,99,241**
PREVIOUS YEAR	33,92,29,538	16,76,12,998		50,68,42,536	20,24,50,491	1,52,92,804		21,77,43,295	28,90,99,241	

Notes on Consolidated Financial Statements as at 31st March, 2012 (Contd.)

	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
NOTE - 11				
NON-CURRENT INVESTMENTS				
Quoted at Cost				
3,878 (P.Y: 3,878) Shares of ₹ 10/- each fully paid-up in Powergrid	3,49,020		3,49,020	
Corporation of India Ltd. (Market Value - ₹ 4,19,406, (PY ₹ 3,94,780))		3,49,020		3,49,020
		3,49,020		**3,49,020**
NOTE - 12				
LONG-TERM LOANS AND ADVANCES				
(Unsecured, Considered Good)				
i) Advance Sales Tax	8,16,26,520	8,16,26,520	6,41,41,062	6,41,41,062
		8,16,26,520		**6,41,41,062**
NOTE - 13				
OTHER NON-CURRENT ASSETS				
(Unsecured, Considered Good)				
i) Trade Receivables (over six months)	3,27,42,208		3,27,42,208	
Less: Provision for Doubtful Debts	-		-	
(Unsecured, Considered Good)	3,27,42,208		3,27,42,208	
Trade Receivables (less than six months)	28,87,71,724		19,86,52,345	
ii) Security deposits (Maturing beyond 12 months)	6,23,04,575		36,15,575	
iii) Prepaid Expenses	2,48,87,874		2,09,20,987	
iv) Miscellaneous Expenditure not written off				
Preliminary Expense	12,11,258		10,41,294	
Pre-Operative Expenses	32,48,512		1,56,935	
		41,31,66,151		25,71,29,344
		41,31,66,151		25,71,29,344
NOTE - 14				
CURRENT INVESTMENTS				
Quoted at Cost				
19607074.232 units of SBI-Ultra Short-Term Fund	Nil		25,00,00,000	
(Market Value - Previous year ₹ 25,10,01,921)		-		**25,00,00,000**
NOTE - 15				
INVENTORIES				
Raw Materials		2,87,22,345		2,29,90,140
Stores, Loose Tools and Spares		7,88,36,846		3,03,61,000
Semi Finished Goods and Work-in-Progress		3,90,49,331		6,20,38,998
Finished Goods		5,56,78,270		4,48,24,604
Erection Material at Site		52,50,12,600		26,32,61,313
Construction Work-in-Progress		18,67,83,863		18,67,83,863
Scrap		9,52,572		7,03,069
		91,50,35,827		**61,09,62,987**
NOTE - 16				
TRADE RECEIVABLES				
(Unsecured, Considered Good)				
Debts over six months (realisable within 12 months)	49,97,07,505		65,18,47,482	
Debts less than six months	3,06,27,27,739		2,71,23,76,380	
		3,56,24,35,244		3,36,42,23,862

	As at 31st March, 2012 ₹		As at 31st March, 2011 ₹	
NOTE - 17				
CASH AND CASH EQUIVALENTS				
(i) Balances with Scheduled Banks:				
(a) In Current Accounts	10,82,73,462		76,96,46,023	
(b) In Fixed Deposit and Margin Accounts	73,21,39,526		44,72,19,835	
(c) In Cash Credit	56,06,718		11,35,85,891	
(d) In Dividend Account	2,06,597		-	
	84,62,26,303		1,33,04,51,749	
(ii) Cash on Hand	2,41,76,946	87,04,03,249	1,21,90,025	1,34,26,41,775
(Includes Cheque in hand - ₹ 1,52,08,000 (PY - ₹ 52,91,000))		**87,04,03,249**		**1,34,26,41,775**
# Fixed Deposit includes ₹ 72,84,98,870 towards Margin Money against non-fund based facilities from banks.				
NOTE - 18				
SHORT TERM LOANS AND ADVANCES				
(Unsecured, Considered Good)				
i) Advance Statutory Payments	16,13,51,234		17,29,24,892	
ii) Advances to Employees	95,92,045		47,66,124	
iii) Advances to Suppliers	1,49,68,61,654		58,61,08,339	
		1,66,78,04,933		76,37,99,355
		1,66,78,04,933		**76,37,99,355**
Notes:				
a) Loans and Advances				
Debts due by Directors or other officers of the Company or from a Private Company in which Director of the Company is a Director / Member:				
i) Private Companies		55,565		-
NOTE - 19				
OTHER CURRENT ASSETS				
i) Security Deposits	3,47,96,365		2,20,45,003	
ii) Prepaid Expenses and Others	11,44,92,866		7,14,48,771	
		14,92,89,231		9,34,93,774
		14,92,89,231		**9,34,93,774**

	For the Year Ended 31st March, 2012 ₹		For the Year Ended 31st March, 2011 ₹	
NOTES - 20				
INCOME FROM OPERATIONS				
(a) Sale of Products	9,97,47,41,210		8,07,41,89,926	
(b) Sale of Services	2,14,02,69,011		95,81,28,777	
(c) Other Operating Revenue	1,26,41,443		69,27,577	
	12,12,76,51,664	-	9,03,92,46,280	
Less: Excise Duty	6,49,41,650	12,06,27,10,014	2,30,08,083	9,01,62,38,197
		12,06,27,10,014		**9,01,62,38,197**
NOTES - 21				
OTHER INCOME				
Interest	4,29,79,197		1,88,84,465	
Insurance Claim Received	-		62,28,222	
Miscellaneous Income	9,15,851	4,38,95,048	13,42,630	2,64,55,318
		4,38,95,048		**2,64,55,318**

Notes on Consolidated Financial Statements for the year ended 31st March, 2012 (Contd.)

NOTE - 22

MATERIAL CONSUMED

Particulars	Raw Material Opening Stock		Goods Purchased		Consumption		Raw Material Closing Stock	
	As at 1st April, 2011 ₹	As at 1st April, 2010 ₹	For the year ended on 31st March, 2012 ₹	For the year ended on 31st March, 2011 ₹	For the year ended on 31st March, 2012 ₹	For the year ended on 31st March, 2011 ₹	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
RAW MATERIALS (A)								
Steel	1,71,50,099	44,49,022	45,74,19,984	16,10,16,461	45,70,30,187	14,83,15,384	1,75,39,896	1,71,50,099
Aluminium	42,19,763	72,54,385	17,25,26,422	3,46,68,849	17,10,74,120	3,77,03,471	56,72,065	42,19,763
Zinc	12,30,068	67,28,953	5,28,96,796	1,83,82,442	5,02,44,372	2,38,81,327	38,82,493	12,30,068
Other Materials	3,90,211	12,62,901	56,80,216	33,37,340	44,42,535	42,10,030	16,27,891	3,90,211
Total (A)	**2,29,90,140**	**1,96,95,261**	**68,85,23,418**	**21,74,05,091**	**68,27,91,213**	**21,41,10,212**	**2,87,22,345**	**2,29,90,140**
STORE, TOOLS AND SPARES (B)								
Stores and Spares	3,03,61,000	1,59,96,678	9,99,21,710	5,48,36,538	5,14,45,863	4,04,72,216	7,88,36,846	3,03,61,000
Total (B)	**3,03,61,000**	**1,59,96,678**	**9,99,21,710**	**5,48,36,538**	**5,14,45,863**	**4,04,72,216**	**7,88,36,846**	**3,03,61,000**
ERECTION MATERIALS (C)								
Erection and Concreting Material	45,00,45,176	8,92,97,851	91,43,07,980	64,03,18,668	65,25,56,693	27,95,71,343	71,17,96,463	45,00,45,176
Total (C)	**45,00,45,176**	**8,92,97,851**	**91,43,07,980**	**64,03,18,668**	**65,25,56,693**	**27,95,71,343**	**71,17,96,463**	**45,00,45,176**
OTHER MATERIALS (D)								
Project Purchases		-	7,17,90,68,281	6,71,89,00,105	7,17,90,81,481	6,71,89,00,105		-
Land (Used for Development)		31,780	-	-	-	31,780	-	-
Total (D)		**31,780**	**7,17,90,68,281**	**6,71,89,00,105**	**7,17,90,81,481**	**6,71,89,31,885**	**-**	**-**
Grand Total	**50,33,96,316**	**12,50,21,571**	**8,88,18,21,388**	**7,63,14,60,401**	**8,56,58,75,250**	**7,25,30,85,656**	**81,93,55,654**	**50,33,96,316**

NOTE - 22.1

VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED

Particulars	For the year ended on 31st March, 2012		For the year ended on 31st March, 2011	
	Value (₹)	Percentage (%)	Value (₹)	Percentage (%)
Imported	-	-	-	-
INDIGENOUSLY OBTAINED:				
Raw Materials	8,51,44,29,387	100%	7,21,26,13,440	100%
Stores, Spare Parts and Components	5,14,45,863	100%	4,04,72,216	100%
Total	8,56,58,75,250	100%	7,25,30,85,656	100%

	For the Year Ended 31st March, 2012 ₹		For the Year Ended 31st March, 2011 ₹	
NOTE - 22.2				
CIF VALUE OF IMPORTS				
Capital Goods		18,46,19,614		11,63,31,322
NOTE - 23				
CHANGES IN INVENTORIES				
OPENING STOCK :				
Finished Goods	4,48,24,604		2,31,23,288	
Semi Finished Goods and Work-in-Progress	6,20,38,998		1,08,02,887	
Scrap Materials	7,03,069		5,18,079	
	10,75,66,671		3,44,44,254	
CLOSING STOCK :				
Finished Goods	5,56,78,269		4,48,24,604	
Semi Finished Goods and Work-in-Progress	3,90,49,331		6,20,38,998	
Scrap Materials	9,52,572		7,03,069	
	9,56,80,172	1,18,86,499	10,75,66,671	(7,31,22,417)
INCREASE (-) / DECREASE (+)		1,18,86,499		(7,31,22,417)
NOTE - 24				
EMPLOYEE BENEFIT EXPENSES				
(a) Salary, Wages and Bonus		36,63,03,294		16,05,29,243
(b) Contribution to Providend and Other Funds		1,36,49,243		3,14,32,517
(c) Workmen and Staff Welfare Expenses		91,71,553		46,84,037
(d) Directors' Remuneration		1,74,68,050		1,66,46,426
(e) Gratuity to Staff		2,81,789		10,22,991
		40,68,73,929		21,43,15,214

NOTE - 24.1

As per Accounting standard 15 "Employee benefits", the disclosures as defined in the Accounting standard are given below:

DEFINED BENEFIT PLAN

The employees' gratuity fund scheme managed by a trust is a defined benefit plan. The Present Value of obligations is determined based on actuarial valuation using the Projected Unit Cost Method.

		2011-12	2010-11
1.	Change in Defined Benefit Obligation:		
	Defined Benefit Obligation at the beginning of the year	₹ 2,42,68,975	NIL
	Interest Cost	₹ 19,41,518	NIL
	Current Service Cost	₹ 15,43,705	NIL
	Benefits Paid	₹ (25,93,088)	NIL
	Actuarial Gain / (Loss) on Obligation	₹ 17,38,104	₹ 2,42,68,975
	Present Value of obligation as at the end of the year	₹ 2,68,99,214	₹ 2,42,68,975

Notes on Consolidated Financial Statements for the year ended 31st March, 2012 (Contd.)

		2011-12	2010-11
2.	**Change in Fair Value of the Asset**		
	Fair Value of the plan assets at the beginning of the year	₹ 2,58,20,367	NIL
	Expected returns on plan assets	₹ 23,01,021	NIL
	Contributions	₹ 8,669	₹ 2,58,20,367
	Benefits paid	₹ (25,93,088)	NIL
	Actuarial Gain / (Loss) on plan assets	NIL	NIL
	Fair Value of Plan assets at the end of the year	₹ 2,55,36,969	₹ 2,58,20,367
3.	**Net Asset / (Liability) recognized in the Balance Sheet**		
	Fair Value of the Plan Assets	₹ 2,55,36,969	₹ 2,58,20,367
	Present Value of the obligation as at the end of the year	₹ 2,68,99,214	₹ 2,42,68,975
	Amount recognized in Balance Sheet	₹ (13,62,245)	₹ 15,51,392
4.	**Expenses recognized during the year**		
	(under the head contribution to provident fund and other funds)		
	Current Service Cost	₹ 15,43,705	NIL
	Interest Cost	₹ 19,41,518	NIL
	Expected Return from Plan Asset	₹ (23,01,021)	NIL
	Net Actuarial Gain / (Loss) recognized in the year	₹ 17,38,104	₹ 2,42,68,975
	Expenses recognized in the statement of Profit and Loss	₹ 29,22,306	₹ 2,42,68,975

	For the Year Ended 31st March, 2012 ₹		For the Year Ended 31st March, 2011 ₹	
NOTE - 25				
FINANCE COSTS				
Interest on Term Loan		1,69,01,777		3,36,32,132
Interest on Others		18,03,63,436		4,95,36,785
		19,72,65,213		8,31,68,917
Less - Adjustment for Interest Capitalized		61,85,349		-
		19,10,79,864		8,31,68,917
NOTE - 26				
DEPRECIATION AND AMMORTISATION EXPENSE				
Depreciation for the Year	4,79,73,950		1,52,92,804	
Less: Transfer to Revaluation Reserve	2,10,938		2,13,071	
		4,77,63,012		1,50,79,733

	For the Year Ended 31st March, 2012 ₹		For the Year Ended 31st March, 2011 ₹	
NOTE - 27				
OTHER EXPENSES				
Processing / Job Charges		86,16,77,296		39,82,26,457
Freight, Carriage and Transport		16,35,75,324		10,27,45,916
Power and Fuel		2,39,36,018		1,25,70,656
Rent		3,68,06,380		1,67,23,405
Insurance		83,22,221		64,95,826
Repairs and Renewals:				
Plant and Machinery	21,46,223		12,06,868	
Building	21,76,785		5,69,743	
Others	32,99,216	76,22,223	29,85,108	47,61,718
Hire Charges		3,18,14,893		1,43,29,136
Travelling and Conveyance		2,10,45,048		1,15,16,261
Auditors Remuneration:				
Audit Fees		20,10,000	1,60,000	
Other Capacity			22,000	
Expenses			15,000	1,97,000
Internal Audit Fees		1,35,000		67,500
Tax Audit		10,000		31,000
Excise Duty		18,22,110		-
Rates and Taxes		22,35,92,130		9,46,14,492
Communication Expenses		83,23,911		82,81,152
Bank Commission and Charges		53,44,24,233		16,83,61,588
Miscellaneous Expenses (A)		9,38,55,103		7,92,45,879
Translation Loss		7,14,373		-
Loss on Contract Performance		13,95,508		5,90,320
		2,02,10,81,770		91,87,58,305
(A) Miscellaneous Expenses				
Legal Charges, Listing and Filing Fees		28,34,943		32,60,727
Sales Promotion and Advertisement Expenses		84,36,068		24,44,438
Testing Charges		99,60,034		76,92,576
Computer / R&D Charges		13,02,128		8,42,231
Entertainment Expenses		16,75,247		6,32,337
General Charges		61,99,360		39,39,073
Office Up-Keep		32,76,156		16,98,700
Printing and Stationery		41,78,972		23,47,851
Subscription and Donation		2,06,119		24,07,373
Professional fees and Service Charges		3,83,37,649		4,95,89,408
Motor Car Expenses		2,73,421		3,41,281
Mobilization Expenses		1,37,81,704		26,15,201
Tender Fees		13,68,832		8,52,377
Others		17,31,729		3,86,935
Recruitment Expenses		2,92,740		1,95,370
		9,38,55,103		7,92,45,879
NOTE 27.1				
EXPENDITURE IN FOREIGN CURRENCY				
Tour Expenses		12,25,542		63,794
Others		-		-
		12,25,542		63,794

Notes on Consolidated Financial Statements for the year ended 31st March, 2012 (Contd.)

	31st March, 2012	31st March, 2011
NOTE - 28		
EARNINGS PER SHARE (EPS)		
i) Net Profit after tax as per statement of Profit and Loss attributable to Equity Shareholders (₹)	56,91,62,447	37,18,06,087
ii) Weighted Average number of equity shares used as denominator for calculating EPS	3,30,00,000	3,30,00,000
iii) Basic and Diluted Earnings per share (₹)	17.25	11.27
iv) Face Value per Equity Share (₹)	10.00	10.00

	31st March, 2012 ₹ in Lacs	31st March, 2011 ₹ in Lacs
NOTE - 29		
EARNINGS IN FOREIGN EXCHANGE		
FOB Value of Exports	2,318.36	-
NOTE - 30		
CONTINGENT LIABILITIES		
i) Guarantees given by Company's Bankers on behalf of the Company.	47,025.46	39,611.79
ii) Claims against the Company not acknowledged as debts:		
a) Sales Tax	1,433.96	836.04
b) Others	30.45	36.80
NOTE - 31		
SEGMENT REPORTING AS PER AS - 17		
Segment Revenue:		
Project Construction Division	1,12,971.70	88,129.33
Tower Manufacturing Division	4,662.43	1,389.62
Aluminium Extrusion, Forging and Conductor Division	2,952.06	643.44
Solar Power Division	40.91	-
Segment Total	**1,20,627.10**	**90,162.39**
Segment Results:		
Project Construction Division	10,830.02	7,834.22
Tower Manufacturing Division	150.52	186.96
Aluminium Extrusion, Forging and Conductor Division	328.40	140.56
Solar Power Division	(44.41)	-
Segment Total	**11,264.53**	**8,161.74**
Unallocated income over expenses	(733.28)	(1,015.97)
Profit Before Interest and Tax	10,531.25	7,145.77
Interest	1,910.80	831.69
Provision for Current Year Tax	2,933.69	2,097.38
Profit after Current Year Tax	5,686.76	4,216.70
Provision for Deferred Tax for earlier Years	(4.87)	498.64
Profit After Tax	5,691.62	3,718.06

	Assets		Liabilities	
	31st March, 2012	31st March, 2011	31st March, 2012	31st March, 2011
Segment Assets and Liabilities:				
Project Construction Division	65,424.27	47,491.17	55,124.78	55,643.30
Tower Manufacturing Division	2,766.72	4,139.95	1,852.69	1,460.06
Aluminium Extrusion, Forging and Conductor Division	3,188.73	618.76	46.58	24.30
Solar Power Division	6,901.01	-	-	-
Unallocated Assets and Liabilities	12,158.11	18,448.71	11,866.05	2,376.80
Segment Assets and Liabilities:	90,438.84	70,698.59	68,890.10	59,504.46

NOTE - 32

RELATED PARTY DISCLOSURE AS PER AS - 18

Name	Relation	Particulars	Transaction During the year	Balance as on 31st March, 2012
Mr. Manoj Toshniwal	Director	Salary	65.76	NIL
Mr. Ramesh Chandra Bardia	Director	Salary	65.76	NIL

	As at 31st March, 2012 ₹ in Lacs	As at 31st March, 2011 ₹ in Lacs
NOTE - 33		
FINANCIAL HEDGING INSTRUMENTS		
i) For Hedging Currency Related Risks		
i) Forward Contracts - Outstanding Nominal Value	4,828.43	NIL

NOTE - 34

THE SUBSIDIARY COMPANIES CONSIDERED IN THE CONSOLIDATED FINANCIAL STATEMENTS ARE:

Name of the Subsidiary Company	Country of Incorporation	Proportion of ownership interest	Period for which accounts have been incorporated
EMC Hardware Ltd.	India	100%	01.04.11-31.03.12
EMC Solar Ltd.	India	100%	01.04.11-31.03.12
EMC Academy Ltd.	India	100%	01.04.11-31.03.12
EMC Logistic Ltd.	India	100%	01.04.11-31.03.12
EMC Power Ltd.	India	100%	01.04.11-31.03.12
EMC Infrastructure Ltd.	India	100%	01.04.11-31.03.12
EMC Energy Ltd.	India	100%	01.04.11-31.03.12
EMC Overseas Ltd.	India	100%	28.04.11-31.03.12

Notes on Consolidated Financial Statements for the year ended 31st March, 2012 (Contd.)

NOTE - 35

INFORMATION REGARDING SUBSIDIARY COMPANIES

Name of the Subsidiary Companies	Capital	Reserves	Total Assets	Total Liabilities	Invest	Turnover/ Total Income	Profit Before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend
EMC Hardware Ltd.	25,00,000	(11,07,129)	16,95,467	16,95,467	-	15,449	(13,649)	-	(13,649)	-
EMC Solar Ltd.	5,00,000	-	6,86,474	6,86,474	-	-	-	-	-	-
EMC Academy Ltd.	5,00,000	-	29,65,220	29,65,220	-	-	-	-	-	-
EMC Logistics Ltd.	5,00,000	-	6,85,714	6,85,714	-	-	-	-	-	-
EMC Power Ltd.	5,00,000	-	6,85,964	6,85,964	-	-	-	-	-	-
EMC Infrastructure Ltd.	5,00,000	-	6,85,714	6,85,714	-	-	-	-	-	-
EMC Energy Ltd.	5,00,000	-	6,85,714	6,85,714	-	-	-	-	-	-
EMC Overseas Ltd.	5,00,000	-	11,88,678	11,88,678	-	-	-	-	-	-

As per our Report of even date attached

For M/s. SRB & Associates
Chartered Accountants
(Firm Regn. No. 310009E)

Sanjeet Patra
(Partner)
Membership No. 056121
Kolkata, 28th May, 2012

For and on behalf of the Board

Manoj Toshniwal
Managing Director

Ramesh Chandra Bardia
Jt. Managing Director

Chandra Sekhar Adhikary
Company Secretary

EMC Limited
Spanning Power Globally
Since 1953

Registered Office:
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POWER TRANSMISSION

POWER DISTRIBUTION

INDUSTRIAL POWER DISTRIBUTION

SOLAR