



IMP Powers Ltd.

ANNUAL REPORT 2008-09

Stepping up!

The spirit of IMP



Forward looking statements:

The report contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words like 'plans', 'expects', 'anticipates', 'believes', 'intends', 'estimates', or other similar expressions as they relate to Company or its business are intended to identify such forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. The Company undertakes no obligation or responsibility to publicly amend, update, modify or revise any forward-looking statements, on the basis of any new information, future event, subsequent development or otherwise.

What's Inside!

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IMP POWERS LIMITED

Registered office : Survey No 263/ 3/ 2 /2 Sayli Village ,Umar Kuin Road Silvassa (U.T.)

Notice

NOTICE is hereby given that the 47th Annual General Meeting of IMP POWERS LIMITED will be held on Tuesday ,the15th day of December2009 at 3.00 P.M. at the Registered Office of the Company i.e. Survey No. 263/3/2/2, Umar Kuin Road, Sayli Village, Silvassa, U.T(D.&N.H.) to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 30th June 2009 and Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Prashant,J.Pandit who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. R.T.RajGuroo who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Statutory Auditors and fix their remuneration.

"RESOLVED THAT pursuant to Sec 224 of the Companies Act 1956 and other applicable provisions if any, M/s Battliboi & Purohit the retiring Auditors of the company be and are hereby re-appointed as the Auditors of the company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the company and that the Audit committee of the company be and is hereby authorized to fix their remuneration for this period. "

SPECIAL BUSINESS

- 5 To consider and if thought fit, to pass following resolution with or without modification, as an Ordinary resolution:-

"RESOLVED THAT Mr. Siby Antony who was appointed by the Board of Directors as an Additional Director of the Company on 3rd July 2009, who holds the office upto the conclusion of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956('the Act') and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

- 6 To, consider and if thought fit to pass with or without modification, the following as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of sec 198,269,309 read with Schedule XIII and all other applicable provisions of the Companies Act,1956 (including any Statutory modifications or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the shareholders be and is hereby accorded for re-appointment of Mr. Ramniwas R Dhoot, Chairman of the company w.e.f from 1st April 2009 for a period of Five years and revised remuneration from 1st July 2009 as per terms and conditions as set out in the explanatory statement.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may be necessary, proper or expedient to give effect to this resolution"

- 7 To, consider and if thought fit to pass with or without modification, the following as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of sec 198,269,309 read with Schedule XIII and all other applicable provisions of the Companies Act,1956 (including any Statutory modifications or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the shareholders be and is hereby accorded for re-appointment of Shri Ajay. R. Dhoot, Managing Director, of the company w.e.f from 1st April 2009 for a period of Five years and revised remuneration from 1st July 2009 as per terms and conditions as set out in the explanatory statement.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may be necessary, proper or expedient to give effect to this resolution"

8. To, consider and if thought fit to pass with or without modification, the following as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of sec 198,269,309 read with Schedule XIII and all other applicable provisions of the Companies Act,1956 (including any Statutory modifications or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the shareholders be and is hereby accorded for re-appointment of Shri Aaditya.R.Dhoot,Joint Managing Director, of the company w.e.f from 1st April 2009 for a period of Five years and revised remuneration from 1st July 2009 as per terms and conditions as set out in the explanatory statement.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may be necessary, proper or expedient to give effect to this resolution"

Place: Mumbai

Dated: 31st October, 2009

For and on behalf of the Board

Ramniwas R Dhoot

Chairman

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The Proxy form, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the Commencement of the Meeting.
2. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the Special Business mentioned above is annexed hereto and forms part of the notice
3. All documents referred to in the accompanying Notice and Explanatory Statement are available for inspection at the Corporate Office of the Company on working days between 11.00 a.m. to 1.00 p.m. excluding Saturdays, Sundays and Public Holidays up to the date of Annual General Meeting.
4. Members are requested to intimate to the Company, queries,

if any, on the accounts at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.

5. Member/Proxies should bring the Attendance Slip duly filled in for attending the meeting and are also requested to bring their copies of Annual Report to the meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 9th December to 15th December 2009(both days inclusive) Change of Address and other instruction: Members are requested to inform the Company or M/s Link Intime India Private Limited, immediately of any change in their address / Bank details. Member holding shares in dematerialized form are requested to intimate all changes with respect to their address, Bank details, and mandate etc. to their respective Depository Participant. These changes will then be automatically reflected in the Company's records.

8. Brief profile of directors

Particulars	Mr. Prashant J. Pandit	Mr. R. T. RajGuroo	Mr. Siby Antony
Date of Birth	10th February 1955	27th June 1944	10th May 1948
Date of Appointment	30th November2007	30th November 2007	3rd July 2009
No of shares held in the company	Nil	Nil	Nil
Expertise in Specific functional area	Mr. Prashant Pandit is a leading advocate and is having experience of more than 29 years and is having expertise in the area of Civil, Criminal and Labour Laws and is also having a professional expertise in Finance and Accounts Discipline.	Mr. R. T. RajGuroo is a Practicing Company Secretary having expertise in the field of Corporate Laws, Labour and Industrial Laws, Finance and Project Financing .He is having experience of more than 39 years in the related fields.	Mr. Siby Antony is the former Executive Director of IDBI overall in charge of recovery and legal department and was the Chairman of CDR Empowered Group. Currently he associated with Edelweiss Capital Ltd.

ANNEXURE TO NOTICE:

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 5:

The Board of the Directors of the Company has appointed Mr.Siby Antony as an Additional Director with effect from 3rd July 2009.

As per Section 260 of the Companies Act, 1956, Mr. Siby Antony holds the office as Additional Director up to the date of this Annual General Meeting. The Company has received notice pursuant to Section 257 of the Companies Act, 1956 from a shareholder proposing the candidature of Mr.Siby Antony as Director of the Company liable to retire by rotation.

A brief resume of Mr.Siby Antony is given in the note no. 8 to the Notice convening this Annual General Meeting.

None of the other Directors, except Mr.Siby Antony, are in any way, concerned or interested in the said resolution.

Your Directors recommended the resolution at item no. 5 of the notice.

ITEM No 6, 7 and 8

The Board of Directors in their meeting held on 28th January 2009 approved the re-appointment of Shri Ramniwas R Dhoot as Chairman; Shri Ajay R Dhoot as Managing Director; and Shri Aaditya R Dhoot as Jt. Managing Director effective from 1st April 2009 for a period of 5(Five) years on the existing terms. In the meeting held on 31st October 2009 the Board reviewed the terms and conditions as set out in the service contract and decided to revise the remuneration payable w.e.f 1st July 2009 while retaining the other terms and conditions unchanged. The revised remuneration structure is as given below:

1. Remuneration structure :

Particulars	Shri Ramniwas R Dhoot (Chairman)	Shri Ajay R Dhoot (Managing Director)	Shri Aaditya R Dhoot (Jt. Managing Director)
Remuneration	260000 p.m in the scale of 260000-510000	240000 p.m in the scale of 240000- 440000	220000 p.m in the scale of 220000 - 420000
The increments within the salary scale will be decided by the Board of Directors from time to time as it may deem fit.			
Perquisites and allowances including re-imbursment of expenses	Not Exceeding 75 % of the Remuneration	Not Exceeding 75 % of the Remuneration	Not Exceeding 75 % of the Remuneration
Commission	Not exceeding 2% of the Net Profits of the Company	Not exceeding 2% of the Net Profits of the Company	Not exceeding 2% of the Net Profits of the Company

The aggregate remuneration inclusive of salary, perquisite and commission payable to Chairman, Managing Director and Jt. Managing Director respectively shall always be subject to the overall ceiling laid down in section 198, 269, 309 and Section I of the part II of schedule XIII and other applicable provisions of the Companies Act, 1956. The company does not have a stock option Scheme and no sitting fees are paid to these Executive Directors.

Your directors recommend the resolution at item nos. 6, 7 and 8 for your approval as an Ordinary Resolution.

None of the directors other than Shri Ramniwas R Dhoot, Chairman; Shri Ajay R Dhoot, Managing Director; and Shri Aaditya R Dhoot, Jt. Managing Director are interested in passing of the resolution

The revised terms for remuneration, perquisites and allowances as set above may be treated as an abstract under Section 302 of the companies Act 1956.

Place: Mumbai

Dated: 31st October, 2009

For and on behalf of the Board

Ramniwas R Dhoot

Chairman

Corporate Information

47th Annual Report 2008-2009

BOARD OF DIRECTORS

Shri Ramniwas R Dhoot
Chairman

Shri Ajay R Dhoot
Managing Director

Shri Aaditya R Dhoot
Jt Managing Director

Shri R T RajGuroo
Non Executive Director

Shri Prashant J Pandit
Non Executive Director

Shri Jayant N Godbole
Non Executive Director

Shri Vishal Tulsyan
Non Executive Director (upto 24th August 2009)

Shri Krishan Kant Rathi
Non Executive Director (from 24th August 2009)

Shri J.P. Taparia
Non Executive Director

Shri Siby Antony
Additional Director (from 3rd July 2009)

COMPANY SECRETRY

Vyankatesh Mulwad

BANKERS

State Bank of Hyderabad

State Bank of India

Bank of India

The Karnataka Bank Ltd

SBI Commercial and International Bank Ltd

IDBI Bank Ltd

AUDITORS

Battiboi & Purohit

National Insurance Building,

204, Dadabhoy Naoroji Road, Fort,

Mumbai – 400 001

REGISTERED OFFICE

Survey No. 263/3/2/2, Sayli Village,

Umar Kuin Road,

Silvassa (U.T. D&NH) -396230

CORPORATE OFFICE

35/C, Popular Press Building,

2nd Floor, Pt. M M Malviya Road,

Tardeo, Mumbai – 400034

MUMBAI WORKS

85, Government Industrial Estate,

Kandivali West,

Mumbai – 400067

Director's Report

During the year under review, the Company installed a state-of-the-art Impulse tester, a critical part of the type-test set-up, which would enable it to provide accurate results to its clients, within its premises. Your Company's net sales increased by 41.9%, from Rs. 134.28 cr. in 2007-08 to Rs. 190.60 cr. in 2008-09. Your Company exported products worth Rs. 6.67 cr.

Dear Members,

Your Directors have pleasure in presenting their 46th Annual Report on the business and operations of the Company and Audited Accounts for the Financial Year ended 30th June, 2009.

FINANCIAL RESULTS AND APPROPRIATIONS

(Amount in Rs. lac)

	Year ended 30th June, 2009	Year ended 30th June, 2008
Sales	19,060.80	13,428.84
Other Income	62.63	49.68
Total Sales and Other Income	19,123.43	13,478.52
Profit before Interest and Finance Charges, Depreciation & Taxation	3,283.88	2,239.07
Less : Interest and Finance Charge	774.38	550.45
Less : Depreciation	256.77	169.20
Profit before Taxation	2,252.73	1,519.42
Less: Provision for Taxation		
• Current	609.78	363.99
• Deferred	59.15	95.99
• Fringe Benefit Tax	11.74	10.77
Profit After Tax	1,572.06	1,048.67
Extra ordinary item	-	113.08
Net Profit	1,572.06	935.59
Earning per share Before extra ordinary items –Basic	20.52	13.16
Diluted	20.52	13.56
Earning Per Share After extra-ordinary Items Basic	20.52	11.48
Diluted	20.52	12.09

Note: Previous year figures have been regrouped /rearranged wherever necessary.

OPERATIONAL PERFORMANCE:

The year 2008-09 witnessed one of the biggest economic meltdown globally. While the recession intensified in the advanced economies, emerging economies were also hit by the break down in external demand, commodity prices and drying out of capital inflows. The situation was further aggravated by capital outflows from these countries. Like all emerging economies, India too has been affected by the crisis which is much more than what was expected earlier. After having grown at a rate of more than 9% in the last three years, the Indian economy registered a growth of less than 7% in 2008-09. In such challenging times, your Directors are pleased to inform that for the Financial Year ended 30th June, 2009, your Company continued its growth momentum. The year witnessed the completion of the first phase of your Company's expansion plans, increasing its capacity from 3,600 MVA to 7,000 MVA. The year 2008-09 also marked the Company's entry into manufacturing higher grades of transformers. During the year under review, the Company also installed a state-of-the-art Impulse tester, a critical part of the type-test set-up, which would enable it to provide accurate results to its clients, within its premises.

Your Company's net sales increased by 41.9%, from Rs. 134.28 cr. in 2007-08 to Rs. 190.60 cr. in 2008-09. Your Company exported products worth Rs. 6.67 cr.

The Company's EBIDTA (Earnings Before Interest , Depreciation and Tax) increased by 46.7% to Rs. 32.84 cr. (from Rs. 22.39 cr.) and its net profit after tax (PAT) for the year has also registered an increase of 68%, from Rs. 9.36 cr. in 2007-08 to Rs. 15.72 cr. in 2008-09.

During the year, your Company received large orders from EPC Contractors and from various other state electricity boards and also bagged multiple orders from state-owned Power Grid Corporation of India (PGCIL). As a result it continued to expand its Private sector/EPC clientele.

FUTURE PROSPECTS

As a result of the Indian Government's huge plans to generate and distribute power, and also to substantially reduce T&D losses in the next decade, the demand for transformers will be buoyant in the next decade. To tap this huge opportunity Your Company has undertaken the expansion at its manufacturing facilities situated at Silvassa (U.T) from existing 7,000 MVA to 10,000 MVA in a phased manner. This will catapult your Company

into one of the top ten EHV and Power Transformers manufacturing companies in India.

DIVIDEND

With a view to conserve its resources for further investment in expansion projects, your directors have decided not to recommend any dividend on Equity Shares for the Financial Year ended on 30th June, 2009.

Changes in Capital Structure

During the Financial Year ended 30th June, 2009, the Paid up Equity Capital of the Company increased from 680.66 lac to 813.66 lac after the conversion of 1,50,000 warrants into Equity after the option exercised by Mangalam Laboratories Pvt Ltd., a promoter group company on 10th September, 2009 and conversion of 11,80,000 CCPS into Equity shares on to other than promoter group companies on 28th January, 2009.

DIRECTORS

The Board had appointed Mr. Siby Antony as an Additional Director with effect from 3rd July, 2009. Pursuant to the provisions of the Section 260 of the Companies Act, 1956 who holds the office up to the conclusion of ensuing Annual General Meeting. The Company has received a notice pursuant to Section 257 of the Companies Act, 1956 from a shareholder, proposing his candidature for the office of Director of the Company and he shall be liable to retire by rotation. IBEF & IBEF-I withdrew the nomination of Mr. Vishal Tulsyan and nominated Mr. Krishan Kant Rathi as Director on the board of IMP Powers Limited. The Board of Directors approved the appointment of Mr. Krishan Kant Rathi as Nominee Director with effect from 24th August 2009.

In accordance with the provisions of the Companies Act, 1956 and the Article of Associations of the Company, Mr. Prashant J.Pandit and Mr. R.T.RajGuroo, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- ☆ That in the preparation of the annual accounts for the Financial Year ended 30th June 2009 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ☆ They have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give

a true and fair view of the state of affairs of the company as on 30th June 2009 and of the profit and loss account of the Company for the year ended on that date;

☆ They have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956 to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;

☆ The annual accounts have been prepared on a going concern basis.

Auditors

M/s. Batliboi & Purohit, Chartered Accountants, Statutory Auditors of the Company, who hold office until the conclusion of the ensuing Annual General Meeting Mumbai, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received certificate from the auditors of the Company to the effect that their re-appointment, if made, would be in accordance with Section 224 (1B) of the Companies Act, 1956. The Board recommends their re-appointment.

AUDITORS' REPORT

The observations in the Auditors' Report read with the Notes to accounts are self-explanatory and do not call for comments.

CORPORATE GOVERNANCE

As required by the Clause 49 of the listing agreements entered with Bombay Stock Exchange and National Stock Exchange, where the shares of your Company are listed, Management discussion and Analysis Report, Corporate Governance Report, Auditor's Certificate on compliance of conditions of Corporate Governance are attached to

PARTICULARS OF EMPLOYEES

The details of the employee covered under provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended are as follows:-

Sr. No	Name	Designation	Age	Qualification	Experience	Gross Remuneration
1	Mr. Ramniwas R Dhoot	Chairman	68	B.Com	44	61,98,403
2	Mr. Ajay R Dhoot	Managing Director	45	B.Com	25	62,77,095
3	Mr. Aaditya R Dhoot	Jt. Managing Director	41	B.Com	20	56,39,026

this Annual Report and forms an integral part of the Directors' Report.

CODE OF CONDUCT COMPLIANCE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, the declaration signed by the Jt. Managing Director regarding Code of Conduct Compliance for the Financial Year ended 30th June 2009 is annexed and forms part of the Directors' Report.

FIXED DEPOSITS

The Company has not accepted any Fixed Deposits from the public during the period under review.

Internal Control Systems and their adequacy

Your Company has in place adequate internal control systems commensurate with the nature of its business and the size of its operations. In fact by appointing Sharp and Tannan Associates as your Internal Auditor, the Company has strengthened its Internal Control System substantially.

INSURANCE

Properties and Assets of the Company are adequately insured.

HUMAN RESOURCES

Your Company recognises that people are its principal assets and that its continued growth is dependent upon the Company's ability to attract and retain quality people. Your Company has established full-fledged Human Resources Department which is entrusted with the responsibility of retaining and developing skills of the employees of the Company. Industrial relations at all divisions of the Company remained cordial during the year.

Information Pursuant To Section 217(1) (E) of the Companies Act, 1956

1. CONSERVATION OF ENERGY

(a) The steps taken for conservation of energy are given below:-

1. Closely monitoring use of heating ovens.
2. Use of energy efficient lighting & modernisation in distribution system.
3. Systematic studies of power consumption to avoid unwanted energy losses.
4. Close monitoring and control of Diesel / LDO consumption.
5. Awareness among employees to conserve energy

(b) Additional investment, if any being implemented for reduction of consumption of energy:-

1. New Power Transformer test bed installed.
2. New energy efficient ovens installed.
3. New energy efficient crane installed.

(c) Impact of the measures at (a) & (b) above for reduction of energy consumption & consequent impact on the cost of production of goods:-

The various measures taken by the Company have resulted in reduction in consumption of energy & efforts are going on to further reduce energy consumption & consequent impact on cost of production.

The details of foreign exchange income and outgo are as below: - (Rs. in lac.)

	2008-09	2007-08
Foreign Exchange Earning	666.50	925.70
Foreign exchange expenditure -	311.00	360.1

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from the Shareholders, Financial Institutions, Banks, and Employees, Distributors, Suppliers and other business associates. To end up with the director's conveyed their appreciation for the continued co-operation and relentless efforts made by all the employees in the organisation.

For & on behalf of the Board

Date: 15th September, 2009

Place: Mumbai

(Ramniwas R Dhoot)

Chairman

Management discussion and analysis

Economic Overview

The year 2008-09 (1st July, 2008 to 30th June, 2009) was dominated by events that caused extraordinary global economic turbulence. While the impact of the recessionary phase was felt on a bigger scale in the developed economies such as USA and other European countries, some Emerging Market Economies (EMEs) across the world were also impacted in terms of lower consumer demand and increased financial pressures. During the first half of 2008-09, the world economy was dominated by increased oil prices. This led to inflationary pressures on the Indian economy. The situation worsened in the latter half of the first quarter, especially October-December 2008, which was dominated by severe liquidity crunch in the global markets on account of mounting financial losses in the developed economies. Indian economy has itself faced the effects of this turmoil with the GDP growth falling under 7% after growing more than 9% over the last 3 years. It resulted from both counts – while rising inflation led to a severe cut in the consumer spending; the drying liquidity led to lower availability of funds thereby rising interest rates. To counter the negative fallout of the global slowdown on the Indian economy, Government responded by providing three focused fiscal stimulus packages in the form of tax relief and increased expenditure on public projects along with RBI taking a number of monetary easing and liquidity enhancing measures.

The situation improved to a large extent from April, 2009 onwards, which witnessed the surge in the consumer spending and investor sentiments in EMEs, especially India and China. India withstood the financial turbulence to a large

extent on account of its robust credit and banking system coupled with a large pool of educated working population that invigorated the consumption story, especially in the last quarter.

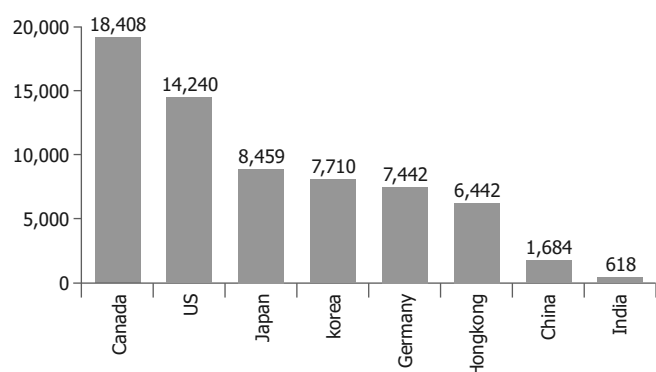
Power Industry

Industry overview

Infrastructure growth is essential to sustain the GDP growth. Within the infrastructure space, power sector plays a key role. However, on account of inadequate capacity addition and huge losses in the T&D sector, the power sector in India is yet to reach out to the entire country. Over the years, the power deficit in India has increased consistently to 11.1%. These deficits are more chronic on a regional basis with the western region facing peak power shortage of 19%. As a result, the 11th Five Year Plan strongly emphasises on expanding the country's power generation capacity with planned capacity addition of 78,577 MW over the plan period (2008-12), with an additional 92.5 GW generation capacity envisaged in the 12th Five Year Plan. UMPPs (Ultra Mega Power Plants) are also being implemented to reduce power shortage in the country.

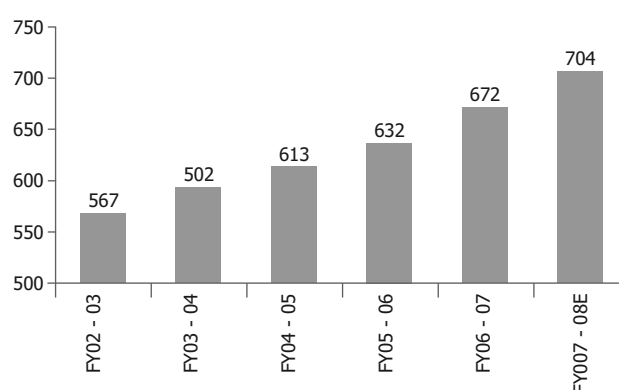
India has the lowest per-capita electricity consumption among the developed/major developing economies, largely due to supply-side constraints. Per-capita electricity consumption in the country is around 618 KWh compared to China's 1,684 KWh, and 14,240 KWh in the US and the global average of around 2,400 KWh. The per-capita electricity consumption in India is on an upward trend, with a CAGR of 4.4% over the past five years.

Per capita electricity consumption

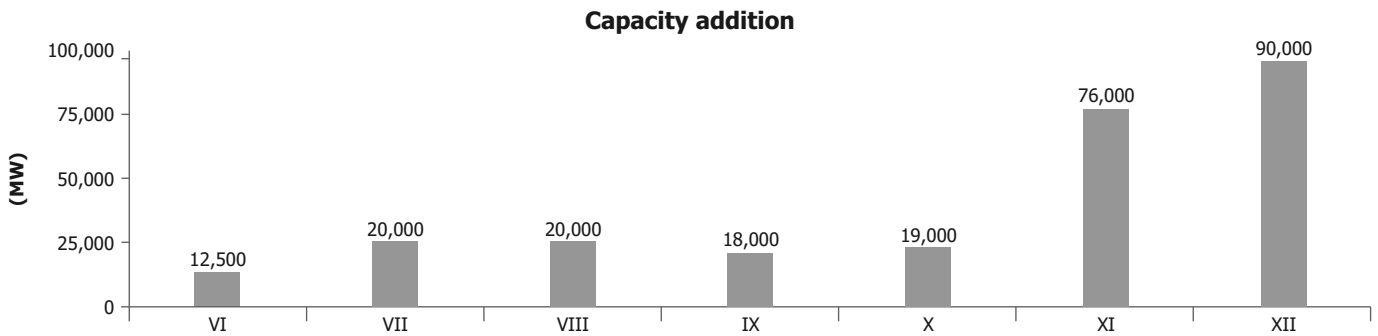


Source: CEA, Nomura research

All India per capita electricity consumption



Huge power generation capacity being added over the next 10 years

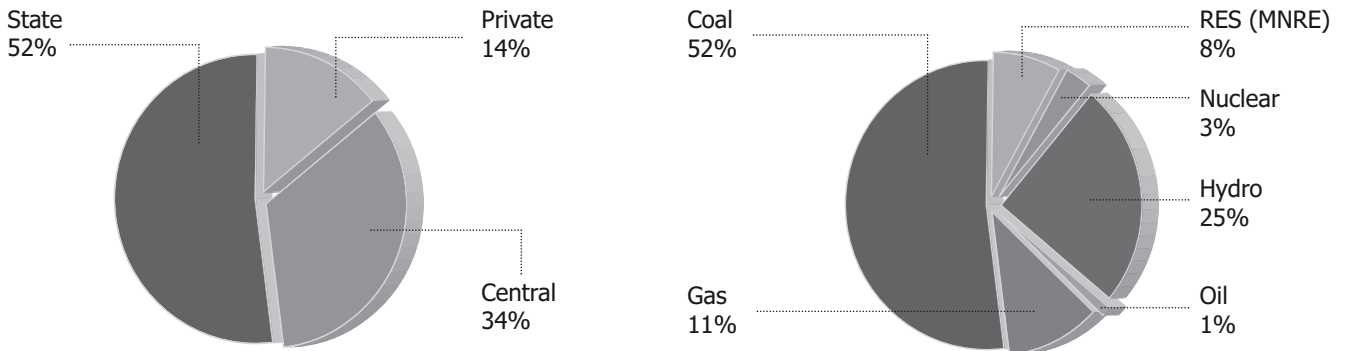


Source: CEA

The Indian power generation space (currently with a capacity of 144GW) can be broadly classified into three categories: central, state and private participation. The generation

capacity is primarily thermal-based, as the country has significant coal reserves, which is the primary fuel for a majority of thermal power plants.

Installed capacity by category



Source: CEA, Nomura research

Transmission and distribution

Traditionally, the government has focused on investments into power generation to alleviate the acute power shortage in the country. In the process, the T&D (Transmission and Distribution) segment has remained neglected and attracted significantly less investments in comparison to generation. As a result, the investment ratio between generation and T&D in India has historically been 1:0.5 against the ideal investment ratio of 1:1. In most states, the existing distribution network has been formed by expanding and interconnecting smaller and disjointed networks. In this backdrop, the T&D system is saddled with deficiencies leading to high losses and low reliability.

The current inter-regional power transfer capacity is 17,000 MW, and the Eleventh Five-Year Plan envisages increasing capacity to 37,000 MW by 2012, through the creation of 'transmission superhighways', with investment of Rs. 1,40,000 cr. (around Rs. 75,000 cr. from the Centre and about Rs. 65,000 cr. from the state government). The Eleventh Five-Year Plan also focuses on strengthening the national grid by adding more than 60,000 km of transmission network by 2012, which should be adequate to carry around 60% of the power generated. The World Bank has approved a USD 600 mn loan to Power Grid to provide a reliable power exchange between deficit and surplus states.

Region-wise power shortage (2007-08)

Region	Energy demand (MU)	% Deficit	Peak demand (MW)	% Deficit
Northern	219,797	10.8	32,462	9.1
Western	247,173	15.8	38,277	23.2
Southern	187,743	3.2	26,777	9.0
Eastern	75,833	4.9	12,031	11.1
North-Eastern	8,799	12.3	1,742	22.7
All India	739,345	9.9	111,289	16.6

Source: CEA, Nomura research

Power Grid Corporation of India

PGCIL (Power Grid Corporation of India) is the nodal government agency responsible for planning and developing the nationwide transmission network. PGCIL is currently executing projects to enhance the existing inter-regional transmission capacity of 20,750 MW (as of end-FY09) to 37,000 MW by FY12. Accordingly, PGCIL has earmarked a total capex of Rs. 55,000 cr. over the 11th 5-Year Plan, a large part of which will be utilised for strengthening the national grid. PGCIL is planning to spend Rs. 11,500 cr. in FY10 to augment its transmission network capacity and meet its FY12 target.

Rajiv Gandhi Grameen Vidyut Yojna

The government is implementing the RGGVY (Rajiv Gandhi Grameen Vidyut Yojana) programme to electrify villages. The programme envisages spend of ~Rs. 160 bn over the 11th

Plan period, which is a 64% increase over the previous Plan. In addition to the REC programmes, state transmission utilities are expanding their transmission networks for evacuation of the additional generation capacities as well as to strengthen the transmission network.

Restructured APDRP

The government has restructured the APDRP programme (R-APDRP) with focus now on strengthening the transmission and substation network and reduce AT&C losses. The total spend in the 11th plan is estimated to be Rs. 51,600 cr. The restructured APDRP programme will be implemented in two stages, which will require state utilities to establish base line data for the AT&C losses and IT applications for energy accounting/ auditing and IT based consumer services, etc.

Budgetary allocation for the proposed R-APDRP plan over the next five years

Year	Part-A (loan)	Part-B (loan)	Part-C&D (grant)	Total
FY09	3,250	—	250	3,500
FY10	35,000	22,500	2,500	60,000
FY11	61,750	35,500	6,000	103,250
FY12	—	42,000	7,020	49,020
Total	100,000	100,000	15,770	215,770

Source: CEA, Nomura research

Transmission and distribution outlook

The investments planned by PGCIL, state utilities, private transmission utilities are likely to be Rs. 1,40,000 cr. Moreover, the investments planned by RGGVY and APDRP over the next

5 years are envisaged at Rs. 67,900 cr. towards rural electrification and reducing AT&C losses. Accordingly, the total spend in the T&D sector is envisaged at Rs. 2,07,900 cr. in the XIth plan.

Spend to increase threefold in XIth plan

(Rs. bn)

	Xth plan	XIth plan
PGCIL	182	550
Other central utilities & private utilities	20	200
State utilities	290	850
Total spend for transmission lines	492	1,400
RGVY	97	163
APDRP	170	516
Total domestic spend	759	2,079

Source: Ministry of Power, Infraline, IDFC-SSKI Research

Spend to increase threefold in XIth plan

	% of spend
Transmission Lines (50%)	
Design & Testing	10
Tower Supply & Erection	30
Conductor & Insulators	35
Construction & Stringing	25
Total	100
Substation (50%)	
Engineering & Design	10
Transformers	30
Switchggers, circuit breakers, etc	40
Construction (civil)	20
Total	100

Source: Industry; IDFC-SSKI Reserch

Transformer Industry

The global market for transformers is estimated to be around USD 72 bn. The Indian transformer industry has a mature technology base up to 800KV Class and is advancing towards manufacturing 1,200 KV Class transformers. The Indian Transformer industry has the technology, proven capability and capacity to manufacture wide range of Power, EHV, Distribution and various Special purpose Transformers. For many years, India has been catering to overseas demand from USA, Europe, Africa and Middle East Countries, for designing and manufacturing of Energy Efficient Transformers which have low losses and lower noise levels.

The estimated demand for the power and distribution transformers in India in 2008-09 was about Rs. 11,600 cr., of which power transformers accounted for 43% and the remaining were distribution transformers. The demand for the transformers has increased three-folds in the last five years, from Rs. 3,700 cr. in 2003-04.

Transformer Industry Outlook

Demand for transformers comprises of new demand as well as replacement demand which mainly arises from new power generating capacities and from making the Transmission and Distribution more efficient.

As per the Central Electricity Act estimates approximately 90,000 MW would be added in the 11th five year Plan. As a thumb rule, based on a Report of PricewaterhouseCoopers, for every 1 MW of capacity that comes up, 12 MVA of transformers will be required across the generation, transmission and distribution segments. Besides this, 20% of the existing transformers would be replaced in the next 10 years. This means on annual demand for transformers of 2,50,000 MVA (appx), against the present annual production of 1,60,000 MVA (appx) and expected capacity of 1,97,000 MVA per year. This demand estimate will further increase with increase in plans for captive power generation by various industries.

Company overview

About the Company

IMP Powers Limited (IMP) is one of the fastest growing companies in the Indian transformer manufacturing space. Over the span of 42 years of its existence, IMP has developed thorough expertise in offering a wide range of transformers including EHV Transformers, Auto Transformers, Power Transformers, Distribution Transformers, Auxiliary Transformers, Arc Furnace Transformers, Thyristor Duty Transformers, Station Transformers, Special Purpose Transformers, etc. However, the Company has been largely focused on manufacturing power and EHV transformers, which constitute a major share in the Indian transformer industry.

Corporate highlights 2008-09

- The Company embarked on expansion programme during 2008-09. The first stage of expansion completed during the year that witnessed the increase in capacity from 3,600 MVA to 7,000 MVA in the Silvassa Unit
- The Company's power and distribution transformers' production increased from 2,524 MVA in 2007-08 to 3,712 MVA in 2008-09
- Net sales increased by 41.94% from Rs. 134.29 cr. in 2007-08 to Rs. 190.60 cr. in 2008-09
- EBIDTA increased by 46.67% from Rs. 22.39 cr. in 2007-08 to Rs. 32.84 cr. in 2008-09
- EBIDTA margin improved from 16.67% in 2007-08 to 17.23% in 2008-09
- Net profits increased by 68.03% from Rs. 9.36 cr. in

2007-08 to Rs. 15.72 cr. in 2008-09

- Net profit margins increased from 6.97% in 2007-08 to 8.25% in 2008-09

Major developments during the year

During the year under review, the Company witnessed the completion of the first phase of its capacity expansion plan at its Silvassa unit. A capacity of 7000 MVA was achieved during the year under review, with an addition of 3400 MVA to the erstwhile capacity. One of the biggest challenges faced during the year, apart from timely completion of the phased programme was in ensuring consistent and normal operations, in wake of ongoing expansion activity within the same premises.

As a strategy to climb the value chain, towards producing higher margin products, the Company also ventured into producing higher rating transformers. As a result, it successfully produced transformers of 330 kV class during the year

The Company also invested into its type-testing abilities by installing state-of-the-art Impulse Set Testing equipment at its Silvassa unit. This equipment would enable it to rate its transformers in-house for their ability to lightning withstand test and at the same time, would reduce the logistics cost and effort on the transformers. During the year, the Company also invested in Vapour Phase Drying machine, which is the most advanced equipment to ensure total elimination of moisture from the transformers and reduce cycle time by 40% and therefore would enhance its quality and performance and productivity.

The year also witnessed volatility in raw materials prices. However, on account of higher realisations, the Company was able to maintain its margins.

Location

The Company's manufacturing unit is located at Silvassa, in Dadra and Nagar Haveli. The unit enjoys an ideal location with consistent availability of power and water and its proximity to the port and raw material hubs. The unit is located at a Zero Sales Tax zone, enjoying 15 year sales tax holiday which shall continue till financial year 2012.

Capacity Expansion

Present capacity	7,000 MVA
Ongoing capacity addition Phase II	3,000 MVA
Total capacity	10,000 MVA

During 2008-09, the Company continued to implement its expansion activity. The year witnessed lot of challenges relating to expansion programme in terms of logistics management, installation of equipment, construction activities, etc. The activity is expected to be completed in December 2009, which will result in the Company's total capacity of 10,000 MVA in 2009-10.

Exports

The Company is a Government Recognised Export House and has received President's Award for excellent performance in Exports. The Company exported its transformers to countries like Australia, Cameroon, Ghana, Jordan, Kenya, Nigeria, New Zealand, Sri Lanka, U.K, Zambia, etc.

Clients

The Company has vendor approval from almost all the State Electricity Boards and major Turnkey EPC contractors. Being a focused manufacturer of transformers, the Company chose to stay away from the realms of offering EPC and turnkey solutions. As a result, the Company enjoys unflinching support and demand from the EPC and turnkey contractors, who view it as a partner and not as a competitor. The Company has many prestigious and large corporates both national and international as its clients, in the private sector. The Company also supplies its transformers to global peers like Siemens and Areva, resulting from its ability to offer world-class quality products at competitive prices.

SWOT Analysis

Strengths

- Four decades of proven expertise and focus
- Access to educated and intellectual capital
- Competence to offer wide range of power transformers and EHV transformers
- Experienced and Qualified management team
- Approvals from all State Electricity Boards/PGCL/CEA
- A large repertoire of over 10,000 design data on CAD/CAM

facility and a competent in-house design team.

- A credible record of successfully conducting more than 150 Impulse tests and 80 short circuit tests on various rating transformers from 100 Kva to 100MVA & up to 330KV class
- Technology at par with the global majors
- Continuous innovation and quality control
- Backward integration through in house manufacturing of OLTC and RTCC

Weakness

- Dependence on imported raw materials
- Operates in an industry that is highly working capital intensive, and an average manufacturing time of 2-5 months per transformer depending upon the size

Opportunities

- Government's thrust on strengthening the transmission and distribution infrastructure
- Power for all by 2012 programme aims at setting Distribution infrastructure with at least 33/11kv transformers in a village.
- Exports which form a negligible portion of Indian Transformer Industry
- Replacement demand also adds to promising future as the life of transformers is around 25 years the transformers installed around 1985 will need replacement.
- The Government is actively working on reducing transmission and distribution losses of Power from 45% to around 15% by upgrading / replacing equipments such as Transformers.
- The increased allocation to APDRP by 160% to Rs. 2080 cr will boost the capital goods sector with direct benefit going to companies manufacturing transformers
- Setting up of Ultra mega power projects will necessitate power evacuation over longer distance through High Voltage Distribution System (HVDS).

Threats

- Delay in government announcing the projects
- Threat of cheaper imported transformers

Human Resources

The Company recognises that people are its principal assets and that its continued growth is dependent upon the Company's ability to attract and retain quality people. The Company has established full-fledged Human Resources Department which is entrusted with the responsibility of retaining and developing skills of all its employees.

The Company employed 429 people as on 30.06.2009 as against 483 people as on 31.06.2008. The Company is expected to witness an increase in its human resources on account of expansion activity, where the production capacity is slated to increase more than 40% of the present capacity.

The industrial relations were cordial and the management thoroughly acknowledges the support from the employees at all levels.

Internal Control System

The Company has an adequate system of internal controls to safeguard and protect from loss, unauthorised use or disposition of its assets. All transactions are properly authorised, recorded and reported to the management. The Company is following all the Accounting Standards for properly maintaining the books of accounts and reporting of financial statements. The Company has a full fledged Internal Audit department and has also appointed external Internal Auditors to review various areas of the operations of the Company. The audit reports are reviewed by the management and the Audit Committee of the Board periodically.

Risk Management

The Company is exposed to normal industry risk factors of competition, economic cycle and uncertainties in the international and domestic markets and credit risk. The

Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk management practices.

Outlook 2009-10

The 2009-10 will witness the tuning of a new leaf for the Company. The Company's most prestigious and highly anticipated Phase II of expansion programme will complete in December 2009 and the capacity will go live. While the major focus in the first two quarters would remain on completing the expansion activity; the bigger focus would be on uninterrupted operation of the existing capacities.

On the industry front, the Company expects robust demand for power transformers on account of better economic sentiment and government's ongoing thrust on the power sector. In order to ensure a growth of close to 8%, power sector reforms would have to be at a faster pace. As a result, the Company expects better demand for transformers in domestic as well as exports markets. The Company's order book also reflects the positive sentiment of the industry.

Cautionary statement

The Management Discussion and Analysis Report Contains forward looking statements based upon the data available with the Company, assumptions with regard to Global and Indian Economic Conditions, the government policies etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future. Therefore, it is cautioned that the actual results may materially differ from those expressed or implied in the Report.

On Behalf of the Board of Directors
Date: 15th September 2009 **Ramniwas R Dhoot**
Chairman

Annexure to Directors' Report

Report on Corporate Governance

Your Company is committed of maintaining the highest standards of corporate governance in its dealings with its various shareholders. It is an integral part of the Company's core values, which include transparency, integrity, honesty and accountability.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company is committed of maintaining the highest standards of corporate governance in its dealings with its various shareholders. It is an integral part of the Company's core values, which include transparency, integrity, honesty and accountability. Your Company ensures complete compliance with Laws and Disclosure requirements while dealing with all its stakeholders, e.g. government, shareholders, employees, customers, suppliers and other shareholders. Your Company has complied with all the Corporate Governance requirements stipulated under Clause 49 of the Listing Agreement. Your Company is committed to the consistent adherence to the said Corporate Governance Code to maintain a greater degree of responsibility and accountability in working towards the creation of wealth for its shareholders, meeting the needs of customers and employees and the community at large

2. BOARD OF DIRECTORS

The Board of Directors of the Company consists of reputed professionals from varied disciplines. The day to day management of the affairs of the Company is entrusted with the senior management personnel, which is headed by the Managing Director, who functions under the overall supervision, direction

and control of the Board of Directors of the Company. The Board meets regularly to discuss, review and decide upon the matters such as policy formulation, setting up of goals, appraisal of performances with the goals and control functions, etc. Some of the powers of the Board have also been delegated to Committee/s of Directors, who monitor the day-to-day affairs relating to operational matters. The Board thus exercises close control over the overall functioning of the Company with a view to enhance the shareholder value.

2.1 Chairman

Shri Ramniwas R Dhoot is the Executive Chairman of the Board of Directors.

2.2 Composition of the Board

The Board of Directors consisted of 8 Directors as on 30th June 2009 with an optimum mix of Executive and Non-Executive Independent Directors. Out of 8 Directors, 4 (50%) of the Directors were Non Executive Independent Directors, a Nominee Director and 3 directors were the Executive Promoter-Directors as on 30th June 2009.

2.3 Board Meetings

During the year ended 30th June 2009, the Board of Directors met 5 times i.e. on 10th September 2008, 24th October 2008, 5th December 2008, 28th January 2009 and 28th April 2009.

2.4 Composition and Category of Directors as on 30th June 2009 and the attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairman/Memberships of Committees of each Director in various companies :

Name of the Director	Category	No. of Other Directorship	No. of Other Committee Membership	No. of Board Meetings attended	Attendance at the last AGM
Mr. Ramniwas R Dhoot	Promoter Executive Chairman	-	-	5	YES
Mr. Ajay R Dhoot	Promoter Executive Managing Director	-	1	5	YES
Mr. Aaditya R Dhoot	Promoter Executive Jt. Managing Director	-	2	5	YES
Mr. Ramdas T. Raj Guroo	Non Executive Independent	-	2	4	YES
Mr. Prashant J. Pandit	Non Executive Independent	-	-	1	NO
Mr. Jayant N Godbole	Non Executive Independent	13	8	5	YES
Mr. Vishal Tulsyan	Non Executive	-	-	4	NO
Mr. J. P. Taparia	Non-Executive Independent	-	-	4	NO

NOTE: The Directorship held by the directors mentioned above do not include Alternate Directorships and Directorships of Foreign Companies and Private Limited Companies.

3. COMMITTEES OF THE BOARD:

3.1 Audit Committee:

The Audit Committee consists of two independent Directors and One Executive Director. During the year ended 30th June 2009 the Audit Committee meetings were held 4 times i.e. on 10th September 2008, 24th October 2008, 28th January 2009 and 28th April 2009.

3.1.1 Composition of the Audit Committee and detail of attendance there at:

Sr. No.	Name of Director	Designation	No. of Meetings Attended
1	Mr. R.T. Raj Guroo	Chairman	3
2	Mr. Jayant N. Godbole	Jt. Chairman / Member	4
3	Mr. Aaditya R Dhoot	Member	4

3.1.2 Terms of Reference to Audit Committee in Brief:

The terms of the reference of the Audit Committee are those prescribed under clause 49 of the Listing Agreement including inter-alia the review of financial results before submission to the Board for approval to ensure that the financial statements are correct and present true and fair view, interaction with Statutory Auditors, recommendation of appointment and payment of audit fees to the Auditors and to review the adequacy of internal control systems.

3.2 Shareholders/Investor Grievances Committee

Shareholder/Investor Grievances Committee consists of Shri R.T. Raj Guroo, Shri Ajay Dhoot and Shri Aaditya Dhoot. Shri R.T. Raj Guroo, Non Executive Director is the Chairman of the Committee.

3.2.1 Broad terms of Reference to Shareholders/Investor Grievances Committee

To approve Share Transfers, to review and advise the Company on any grievance in relation to (a) Non-transfer of shares (b) Non-receipt of Annual Report (c) any other grievance raised by any shareholder.

3.2.2 Status of Investor Complaints

Three complaints were received from Investors during the year and same were duly resolved and as on date there is no such complaint pending.

3.2.3 Compliance Officer - Vyankatesh Mulwad, Company Secretary

4. REMUNERATION OF DIRECTORS

4.1 Remuneration paid to Executive Directors during the year ended 30th June, 2009

Particulars	Shri Ramniwas R Dhoot Chairman	Shri Ajay R Dhoot Managing Director	Shri Aaditya R Dhoot Jt. Managing Director
Remuneration	20,31,736	21,10,428	14,72,360
Commission	41,66,667	41,66,667	41,66,667
Total	61,98,403	62,77,095	56,39,026

- 1) The Company does not have a Stock Option Scheme and no severance fees are payable
- 2) No sitting fees is paid to the Executive Directors.

4.2 Remuneration Structure of Non Executive Directors

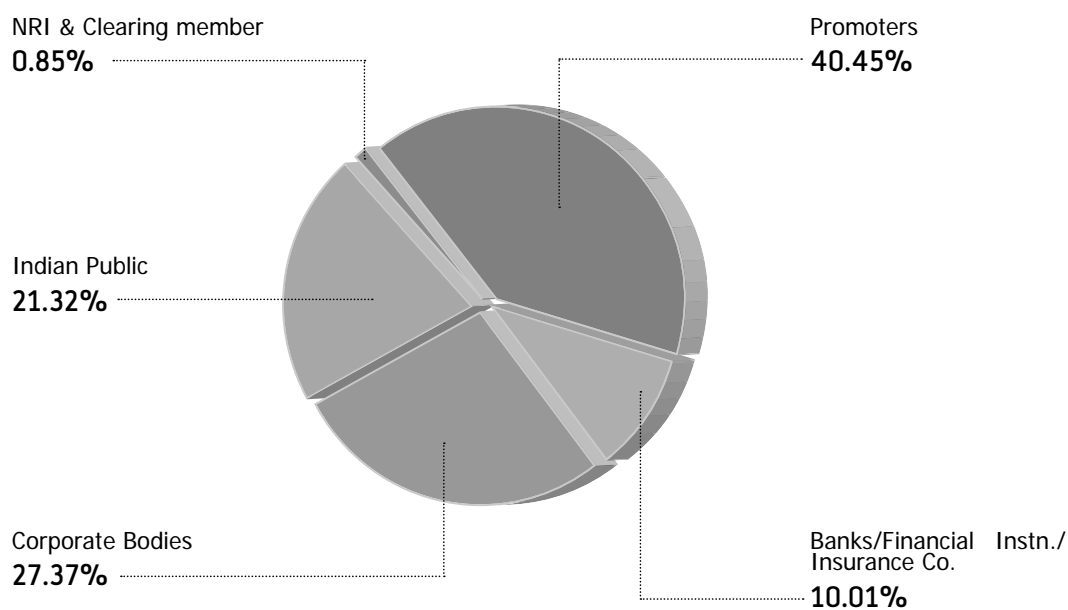
The Non Executive Independent Directors are paid only sitting fees and there is no pecuniary relationship or transaction of Non Executive Independent Directors vis-a-vis the Company. Non Executive Directors are not holding any shares of the Company.

5. GENERAL SHAREHOLDER INFORMATION

5.1	Registered Office	Survey No. 263/3/2/2, Umar Kuin Road, Sayli Village, Silvassa, U.T.(D& N H) -396 230 Telephone : 0260 - 653 8571 Fax : 0260 - 2681043 Email : investor@imp-powers.com Website : www.imp-powers.com
5.2	Corporate Office and Secretarial Department	35/C, Popular Press Building, 2nd Floor, Pt. M M Malviya Road, Tardeo , Mumbai -34 Telephone : 022 - 2353 9180-85 Fax : 022 - 2353 9186-87
5.3	Annual General Meeting	Date and time: 15th December, 2009 at 3.00 p.m. Venue : Survey No. 263/3/2/2, Umar Kuin Road, Sayli Village, Silvassa, U.T.(D& N H), Pin code -396 230
5.4	Financial Year	1st July to 30th June
5.5	Financial Calendar (tentative)	<ul style="list-style-type: none"> • Results for quarter ending September 30,2009 – Last Week of October 2009. • Results for the quarter and half year ending December 31, 2009 – last Week of January 2010 • Results for the nine months ending March 31,2010 - last Week of April 2010 • Results for the year ending June 30th 2010- By 2nd Week of August 2010 • Dividend Payment Date : Not Applicable
5.6	Date of Book Closure	November 2009 to December 2009 (Both days inclusive)
5.7	Listing on stock exchange	Bombay Stock Exchange : Stock Code (517571) National Stock Exchange: Stock Code (INDLMETER)
5.8	Payment of Listing fees	The Company has paid in advance the Listing fees to both the stock exchanges mentioned above for the financial year 2009-2010.
5.9	Registrar and Transfer Agent	The Company has appointed Link Intime India Private Ltd, Mumbai as its Registrar and Transfer Agent. Share Transfers, dematerialization of shares, dividend payment and all other investor related activities are being attended to and processed at the office of the Registrar at the following address ; Link Intime India Private Limited C – 13, Pannalal Silk Mills Compound, L.B.S. Road, Bhandup (West), Mumbai - 400 078. Telephone - 022 - 2596 3838, Fax – 022 - 2594 6979 Email: isrl@linkintime.com
5.10	Share Transfer System	Share Transfer requests in physical form are processed within 30 days from the receipt. The Requests for dematerialization of shares are confirmed within 21 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 the Stock Exchanges and files a copy of the certificate with the Exchanges.

5.11 MARKET PRICE DATA : High, Low, during each month (Bombay Stock Exchange)	MONTH	HIGH (RS.)	(LOW (RS.))	
	July 2008	143.00	91.40	
	August 2008	132.00	104.00	
	September 2008	133.80	82.10	
	October 2008	88.95	30.10	
	November 2008	54.90	39.10	
	December 2008	55.90.	40.80	
	January 2009	60.00	35.00	
	February 2009	50.95	34.05	
	March 2009	39.50	32.00	
	April 2009	64.05	36.65	
	May 2009	110.05	62.05	
	June 2009	115.55	80.50	
5.12 Performance in Comparison to Broad Based Indices like NSE & BSE		July 2008 Opening	JUNE 2009 Closing	% Rise (Fall)
	IMP NSE	112	90	(19.64)%
	IMP BSE	100.17	90.50	(9.66)%
5.13 Shareholding Pattern as on 30th June 2009	Category	No. of Equity Shares (f.v. Rs.1 0/-) held		% of Shareholding
	Promoters	32,91,724		40.45
	Banks/Financial Insurance Co.	Inst./	8,14,678	10.01
	Corporate Bodies	22,26,771		27.37
	Indian Public	17,34,417		21.32
	NRI	40,843		00.50
	Clearing Members	28,130		00.35
	Total	81,36,563		100.00

Shareholding pattern as on june 30, 2009



5.14 Distribution of Shareholding as on 30th June 2009

Category (shares)			No. of Shareholders	% of Total	No. of Shares Held	% of Total
1	-	5,000	5,437	90.02	6,53,912	8.04
5001	-	10,000	301	4.98	2,45,248	3.01
10001	-	20,000	145	2.40	2,24,058	2.75
20001	-	30,000	41	0.68	1,05,085	1.29
30001	-	40,000	24	0.40	88,502	1.09
40001	-	50,000	14	0.23	65,868	0.81
50001	-	1,00,000	31	0.51	2,29,336	2.82
100001	-	Above	47	0.78	6524554	80.19
Total			6,040	100.00	81,36,563	100.00

5.15	Plant Locations:	a) Plot No. 85, Government Industrial Estate, Kandivli (W), Mumbai-400 067 b) Survey No. 263/3/2/2, Sayli Village, Umar Kuin Road, Silvassa, U.T. (D&NH)
5.16	Address for Correspondence	Link Intime India Private Limited C – 13, Pannalal Silk Mills Compound, L.B.S. Road, Bhandup (West), Mumbai - 400 078. Secretarial Department 35/C, Popular Press Building, 2nd Floor, Pt. MMMalviya Road, Tardeo, Mumbai – 400 034 The Shareholders are requested to address their communication / grievances / queries to our Share Transfer Agents or Secretarial Department at above mentioned address.
5.17	Designated Email id for Investors Complaints / Grievances	investor@imp-powers.com
5.18	Details of the Last 3 Annual General Meetings	

Date and Time	(1)	(2)	(3)
	05.12.2008 at 3.30 p.m.	30.11.2007 at 3.00 p.m.	30.11.2006 at 4.00 p.m.
Venue	Survey No 263/3/2/2, Umar Kuin Road, Sayali Village, Silvassa (U.T.)	Survey No 263/3/2/2, Umar Kuin Road, Sayali Village, Silvassa (U.T.)	85, Govt. Industrial Estate, Kandivali (W), Mumbai – 400 067
Special Resolution passed / Special business-Ordinary Resolution Passed	1) Appointment of Shri J.P.Taparia as an Independent director of the Company 2) Appointment of M/S Batliboi & Purohit as Statutory Auditors of the Company from the conclusion of the Annual General meeting until the conclusion of the next Annual General Meeting.	1) Amendment in the Articles of Association 2) Payment of Commission (not exceeding 2%) to the Chairman 3) Payment of Commission (not exceeding 2%) to the Managing Director 4) Payment of Commission (not exceeding 2%) to the Joint Managing Director	1) Amendment in the Articles of Association 2) Ratification of Resolution passed in meeting held on 25th November 2005 3) payment of Commission (not exceeding 1%) to the Chairman 4) Payment of Commission (not exceeding 1%) to the Managing Director 5) Payment of Commission (not exceeding 1%) to the Joint Managing Director

No resolution has been passed through postal ballot during the financial year ended 30th June 2009 and there is no resolution proposed to be passed by Postal Ballot in this Annual General Meeting.

6. DISCLOSURES

(i) Materially significant related party transactions that may have potential conflict with the interests of company at large	The Company does not have material significant related party transactions, i.e. transactions of the Company of material nature with its Promoters, Directors of the Management, or their subsidiaries or relatives etc that may have potential conflicts with the interest of the Company at large. However Disclosure of Transactions with any related party have been made in the Balance Sheet in Schedule No. 22 notes to Accounts at Note no 24
(ii) Non-Compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years	None
(iii) Whistle Blower Policy and affirmation that no personnel have been denied access to the audit committee	The Company has implemented Whistle Blower Policy and we further affirm that no personnel have been denied access to the Audit Committee
(iv) Details of Compliance with mandatory requirements and adoption of the non-mandatory requirement of this clause	The Company has complied with mandatory requirements and has adopted the following non mandatory requirements – (a) Whistle Blower Policy (b) None of the independent director on our Board has served for a tenure exceeding nine years.

7. MEANS OF COMMUNICATION

The quarterly/half yearly unaudited financial results/audited financial results are published in Economic Times, Maharashtra and in regional newspaper viz. Daman Ganga Times. The quarterly/half yearly unaudited financial results/audited financial results are also posted on SEBI website www.sebidifar.nic.in, BSE, NSE as well as on the Company's website i.e. www.imp-powers.com, which also contains latest news/press releases. The notices to the shareholders are published in Asian Age and Daman Ganga Times.

8. COMPLIANCE CERTIFICATE OF THE AUDITORS

The Company has obtained a Certificate from the Statutory Auditors regarding Compliance of Conditions of Corporate Governance as stipulated in Clause 49 and the same is annexed

9. DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

Declaration that all the Board Members and Senior Management Personnel have affirmed compliance with the applicable Code of Conduct for the financial year ended 30th June 2009 is annexed.

For and on behalf of the

Board

Place : Mumbai

Date : 15th September 2009

Ramniwas R Dhoot

Chairman

Declaration – Code Of Conduct

As per Clause 49 of the Listing Agreement with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed compliance with the applicable Code of Conduct for the year ended 30th June 2009.

For **IMP POWERS LIMITED**

Place : Mumbai

Date : 15th September 2009

Aaditya R Dhoot

Jt. Managing Director

Auditors' Certificate

Regarding Compliance of Conditions of Corporate Governance

To The Members of IMP Powers Limited

We have examined the compliance of conditions of corporate governance by IMP Powers Limited for the year ended on 30th June 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of an 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 the corporate governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance 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 **Batliboi & Purohit**

Place : Mumbai

Date : 15th September 2009

(**R.D. Hangekar**)

Partner

Membership No. 30615

Auditors' Report

To

The Members of **IMP Powers Limited**

1. We have audited the attached Balance Sheet of IMP Powers Limited ('the Company') as at 30th June 2009, the Profit and Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. 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 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 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 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 Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 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 purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss Account 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 the written representations received by the Company from the Directors as on 30th June 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as at 30th June, 2009 from being appointed as a director in terms of Section 274 (1) (g) of the Companies Act, 1956;
 - 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 other 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 30th June 2009;
 - ii) in the case of the Profit and Loss Account, 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 **Batliboi & Purohit**
Chartered Accountants
(R. D. Hangekar)
Partner
Membership No. 30615

Place: Mumbai
Dated: 15th September 2009

Annexure to the Auditors' report

With reference to the Annexure referred to in paragraph 3 of the Auditors' Report to the Members of IMP Powers Ltd. on the financial statements for the year ended on 30th June 2009, we report that:

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets
- b) As explained to us, the fixed assets are being physically verified under a phased programme of verification, which in our opinion is reasonable and no material discrepancies have been noticed on such verification.
- c) The Company has not disposed off substantial part of its fixed assets during the year, accordingly, the assumption of the going concern being affected, does not arise.
- ii) a) Inventories have been physically verified during the year by management at reasonable intervals.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) a) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence sub clauses (b), (c) and (d) are also not applicable to the Company.
- b) The Company has taken unsecured loans from six Companies, firms & other parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the period under audit was Rs.57.10 lacs and the year end balance of loans taken from such parties was Rs.23.42 lacs.
- c) The rate of interest and the other terms and conditions of the unsecured loans taken by the Company are prima facie not prejudicial to the interests of the Company.
- d) In respect of loans taken, repayment of principal amount is as stipulated and loan taken is interest free.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of our audit.
- v) a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- b) The transactions made in pursuance of such contracts or arrangements aggregating during the year to Rupees five lacs or more in respect of each party have been made at prices which are reasonable having regard to prevailing market prices for such goods and materials or the prices at which transactions for similar goods or materials have been made with other parties.
- vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public during the year within the meaning of the provisions of sections 58A and 58AA of the Act read with Companies (Acceptance of Deposits) Rules 1975. Therefore the provisions of clause (vi) of the Order are not applicable to the company.
- vii) In our opinion, and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and the nature of its business.
- viii) We have broadly reviewed the books of accounts maintained by the company pursuant to the order made by the central Government for the maintenance of cost records under section 209(1) (d) of the companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However we have not carried out any detailed examination of such accounts and records.
- ix) a) According to the information and explanations given to us and on the basis of examination of the records of the Company, we are of the opinion that the company has been generally regular in depositing undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales tax/VAT, Wealth tax, Customs Duty, Excise Duty, Service tax, Cess and other material statutory dues with the appropriate authorities and there are no outstanding unpaid amounts as at the balance sheet date for a period of more than six months from the date they became payable.

Annexure to the Auditors' report (Contd.)

- b) According to the information and explanations given to us, the dues in respect of Income tax, which have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below:

Name of the Statute	Nature of the dues and year	Amount (Rs. In lacs)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax A Y 2007-08	1.13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax AY 2000-01	12.16	Income Tax Appellate Tribunal
Income tax Act, 1961	Income Tax AY 1998-99	1.89	Commissioner of Income Tax (Appeals)

- x) The Company does not have accumulated losses as at the balance sheet date and has not incurred cash losses in the current or in the immediately preceding financial year.
- xi) On the basis of our examination and according to the information and explanations given to us, the Company has not repaid of the dues of Rs. 224.64 lacs from 2003 to Greater Bombay Co-operative Bank Ltd, since the said Bank did not join in CDR scheme and also the case is under litigation as mentioned in note no 19 of Notes to Accounts.
- xii) According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- xiii) The Company is not a chit fund / nidhi / mutual benefit fund / society to which the provisions of any special statute apply; accordingly, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- xiv) In our opinion the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of the clause 4(xiv) of the companies (Auditor's Report) order, 2003(as amended) are not applicable to the company.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for the loans taken by others from Bank or Financial Institutions.
- xvi) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans were applied for the purpose for which they were obtained.
- xvii) According to the information and explanations given to us

and on an overall examination of the balance sheet of the company, we are of the opinion that prima facie there are no funds raised on short-term basis that have been used for long term investment.

- xviii) During the year under consideration, the Company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. The price at which the share warrants are converted into equity shares has been determined as per the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, which in our opinion are not prejudicial to the interest of the Company.
- xix) During the year covered by our audit, the Company has not issued any debentures.
- xx) The Management has not raised any money by public issues during the year. However, money raised through Preferential issue to promoter and non promoter group has been disclosed in the Directors Report and verified by us.
- xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of the audit.

Place: Mumbai
Dated: 15th September 2009

For **Batliboi & Purohit**
Chartered Accountants
(R. D. Hangekar)
Partner
Membership No. 30615

Balance Sheet

as at 30th June 2009

(Rupees)

	Schedule	Year Ended 30-06-2009	Year Ended 30-06-2008
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	01	105,887,630	317,925,630
Reserves & Surplus	02	742,378,593	383,205,565
		848,266,223	701,131,195
LOAN FUNDS			
Secured Loans	03	641,810,431	478,260,892
Unsecured Loans	04	25,919,484	28,872,579
		667,729,915	507,133,471
Deferred Tax Liabilities /(Assets) Net		15,163,562	9,248,949
TOTAL		1,531,159,700	1,217,513,615
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	05	850,119,884	487,982,063
Less : Depreciation		182,632,477	156,455,198
Net Block		667,487,407	331,526,865
Capital Work In Progress		42,493,416	201,207,467
Investments	06	113,000	113,000
Current Assets, Loans & Advances			
Inventories	07	428,583,877	483,350,137
Sundry Debtors	08	800,862,189	411,294,212
Cash & Bank Balances	09	24,083,004	60,157,378
Loans & Advances	10	106,568,964	89,063,214
		1,360,098,034	1,043,864,941
LESS : Current Liabilities And Provisions			
Current Liabilities & Provisions	11	539,032,157	359,198,658
		539,032,157	359,198,658
NET CURRENT ASSETS		821,065,877	684,666,283
TOTAL		1,531,159,700	1,217,513,615
Notes forming part of accounts	21		
The Schedules referred to herein form an integral part of the Accounts			

As per our report of even date

For **Batliboi & Purohit**

Chartered Accountants

(C A R. D. HANGEKAR), Partner

Membership No. 30615

Place : Mumbai

Dated : 15th September, 2009

AJAY R DHOOT
Managing Director

On behalf of the Board of Directors

AADITYA R DHOOT
Jt. Managing Director

V.H. MULWAD
Company Secretary

Profit & Loss Account

for the year ending on 30th June, 2009

(Rupees)

	Schedule	Year Ended 30-06-2009	Year Ended 30-06-2008
INCOME			
Gross Sales	12	2,090,590,169	1,521,156,588
Less: Excise Duty		184,510,879	178,272,249
Net Sales		1,906,079,290	1,342,884,339
Miscellaneous Receipt	13	6,263,433	4,968,108
		1,912,342,723	1,347,852,447
EXPENDITURE			
Cost of Raw Material Consumed/Sold			
Opening Stock		166,650,824	126,530,554
Add : Purchases	14	1,314,853,517	1,170,471,280
		1,481,504,341	1,297,001,834
Less : Closing Stock		120,535,540	166,650,824
		1,360,968,801	1,130,351,010
(Increase)/Decrease in Stocks	15	8,650,976	(163927985)
Manufacturing Expenses	16	26,357,249	18,038,366
Salaries, Wages and other employee's benefits	17	76,017,309	62,286,255
Selling Expenses	18	36,914,468	33,324,709
Financial Expenses	19	77,437,640	55,044,628
Depreciation		27,008,366	
Less : Transfer from revaluation reserve		1,331,456	16,920,407
Administrative & Other Expenses	20	75,046,426	43,873,016
		1,687,069,779	1,195,910,406
PROFIT / (LOSS) BEFORE TAX		225,272,944	151,942,041
Less : Current Tax (Income tax & Wealth tax)		60,978,160	36,398,854
Fringe Benefit Tax		1,174,446	1,077,361
Deferred Tax		5,914,613	9598748
PROFIT / (LOSS) AFTER TAX		157,205,725	104,867,078
Extra-ordinary items		-	11,307,850
NET PROFIT/(LOSS)		157,205,725	93,559,228
BALANCE AVAILABLE FOR APPROPRIATIONS		157,205,725	93,559,228
APPROPRIATIONS			
Transfer to Bonds Redemption Reserve		5,565,730	5,565,730
Transfer to Pref. Sh. Capital Redemption Reserve		2,450,000	2,450,000
Dividend on Preference Shares		980,000	980,000
Provision for Dividend on 8.75%Compulsory Convertible Preference Shares		(13207514)	13,207,514
Provision for Dividend tax on Compulsory Convertible Preference Shares		(2244617)	2,244,617
Interim Dividend on 8.75%Compulsory Convertible Preference Shares		16,623,251	-
Dividend tax on Compulsory Convertible Preference Shares		2,825,121	-
Balance carried to Balance Sheet		144,213,754	69,111,367
		157,205,725	93,559,228
Earning per Share Before extra-ordinary Items Basic		20.52	13.16
Diluted		20.52	13.56
Earning per Share After extra-ordinary Items Basic		20.52	11.48
Diluted		20.52	12.09
Notes forming part of accounts	21		
The Schedules referred to herein form an integral part of the Accounts.			

As per our report of even date

For **Batliboi & Purohit**

Chartered Accountants

(C A R. D. HANGEKAR), Partner

Membership No. 30615

Place : Mumbai

Dated : 15th September, 2009

On behalf of the Board of Directors

AJAY R DHOOT
Managing Director

AADITYA R DHOOT
Jt. Managing Director

V.H. MULWAD
Company Secretary

Schedules attached to and forming part of the Balance Sheet as at 30th June, 2009

(Rupees)

	Year Ended 30-06-2009	Year Ended 30-06-2008
SCHEDULE : 1		
SHARE CAPITAL		
AUTHORISED		
120,02,000 Equity Shares of Rs. 10/- each (P.Y. 120,02,000)	120,020,000	120,020,000
30,00,000 Preference Shares of Rs. 10/- each (P.Y. 30,00,000)	30,000,000	30,000,000
11,80,000 Compulsory Convertible Preference Shares of Rs. 161/- each (P.Y. 11,80,000)	189,980,000	189,980,000
	340,000,000	340,000,000
ISSUED, SUBSCRIBED		
81,40,963 Equity Shares of Rs. 10/- each fully paid-up (P.Y. 68,10,963)	81,409,630	68,109,630
24,50,000 Cumulative Preference Shares of Rs. 10/- each (P.Y. 24,50,000)	24,500,000	24,500,000
11,80,000 8.75% Compulsory Convertible Preference Shares of Rs. 161/- each (P.Y. 11,80,000)	-	189,980,000
	105,909,630	282,589,630
PAID UP		
Equity Share Capital		
8136563 Equity Share Capital of Rs. 10/- each fully paid-up (P.Y. 68,06,563)	81,365,630	68,065,630
Add : Shares Forfeited	22,000	22,000
A	81,387,630	68,087,630
Note : 1. Equity shares includes 11,27,000 shares issued as fully paid up Bonus Shares during 1994-95 by Capitalisation of Revaluation Reserve		
Redeemable Preference Share Capital		
24,50,000 - 4% Cumulative Preference Shares of Rs.10/- each (P.Y. 24,50,000)	24,500,000	24,500,000
B	24,500,000	24,500,000
Compulsory Convertible Preference Share Capital (CCPs)		
11,80,000 8.75% Compulsory Convertible Preference Shares of Rs. 161/- each	-	189,980,000
C	-	189,980,000
Warrant Application Money		
(P.Y. Application money received partly for Warrants convertible into 4,00,000 Equity Shares of Rs. 10/- each at Premium of Rs.151- per share 2,00,000 Equity Shares of Rs. 10/- Each at premium of Rs. 161/- per share)	-	35,358,000
D	-	35,358,000
(A+B+C+D)	105,887,630	317,925,630

Schedules attached to and forming part of the Balance Sheet as at 30th June, 2009 (Contd.)

(Rupees)

		Year Ended 30-06-2009	Year Ended 30-06-2008
SCHEDULE : 2			
RESERVES & SURPLUS			
CAPITAL RESERVE			
Warrant Application Money Forfeited		7,445,000	-
SHARE PREMIUM			
Balance as per last Balance Sheet	277,571,741		211,274,771
Add: During the year	200,830,000		66,296,970
Add : Amount received on Shares forfeited	176,000		176,000
		478,577,741	277,747,741
REVALUATION RESERVE			
Balance as per last Balance Sheet	33,734,108		35,065,564
Less : Depreciation adjusted (Refer note no. 10 of Schedule 21)	1,331,456		1,331,456
		32,402,652	33,734,108
Bonds Redemption Reserve	13,450,560		7,884,830
Add: During the year	5,565,730		5,565,730
		19,016,290	13,450,560
Pref. Shares Capital Redemption Reserve	6,737,500		4,287,500
Add: During the year	2,450,000		2,450,000
		9,187,500	6,737,500
PROFIT & LOSS ACCOUNT / GENERAL RESERVE			
Balance as per last balance sheet	51535656		(17575711)
Net Profit (Loss) for the year	144213754	195749410	69111367
		742,378,593	383,205,565
SCHEDULE : 3			
SECURED LOANS			
TERM LOANS			
From Financial Institutions & Banks			
Rupee Loans		229,338,371	241,367,912
		229,338,371	241,367,912
WORKING CAPITAL LOANS FROM BANKS			
Cash Credit and Working Capital Loans		343,971,021	172,334,130
		343,971,021	172,334,130
NON-CONVERTIBLE REDEEMABLE BONDS			
556573 4% Non-Convertible Bonds		55,657,300	55,657,300
Add : Interest Accrued but not due		7,609,266	5,382,974
		63,266,566	61,040,274
OTHERS VEHICLE LOAN			
		5,234,473	3,518,576
		641,810,431	478,260,892

- Note :
1. Rupee Term loans from Financial Institutions and Banks are secured by way of first charge of all immovable properties of the company, personal guarantee of Promoter Directors and pledge of promoters' shares.
 2. Working capital loans from Banks are secured against first charge of all current assets and second charge of all fixed assets of the company and personal guarantee of Promoter Directors.
 3. Non convertible Redeemable Bonds including interest will be redeemed from 1st April 2013 to 31st March 2016 in twelve quarterly equal installments.
 4. Vehicle Loans are secured by hypothecation of vehicles.

(Rupees)

		Year Ended 30-06-2009	Year Ended 30-06-2008
SCHEDULE : 4			
UNSECURED LOANS			
From Bodies & Corporate		23,577,032	23,577,032
From Directors & Related Parties		2,342,452	5,295,547
		25,919,484	28,872,579

Schedules attached to and forming part of the Balance Sheet as at 30th June, 2009 (Contd.)

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 1st July' 2008	Additions During the year	(Sold)/ Adjustment During The year	Gross Block As on 30th June 2009	Upto 30th June' 2008	For the Year	Adjustment on Account of Sales	Total	As on 30th June 2009	As on 30th June ' 2008
	SCHEDULE : 5										
	FIXED ASSETS										
1	Land	23,926,860	-	-	23,926,860	-	-	-	-	23,926,860	23,926,860
2	Free Hold Land	9,125,108	-	-	9,125,108	-	-	-	-	9,125,108	9,125,108
3	Building Residential	10,509,977	4,550	-	10,514,527	807,770	171,174	-	978,944	9,535,583	9,702,207
4	Building & HO Building	204,167,075	173,480,825	-	377,647,900	64,938,968	10,590,742	-	75,529,710	302,118,190	139,228,107
5	Plant & Machineries	178,973,854	173,568,834	-	352,542,688	65,951,224	11,775,993	-	77,727,217	274,815,471	113,022,630
6	Dies & jigs	3,572,398	-	-	3,572,398	3,250,173	93,337	-	3,343,510	228,888	322,225
7	Electrical Installation	8,217,140	10,140,657	-	18,357,797	2,744,416	764,002	-	3,508,418	14,849,379	5,472,724
8	Air Conditioning Equipments	3,182,735	449,750	-	3,632,485	1,173,730	151,702	-	1,325,432	2,307,053	2,009,005
9	Furniture & Fixtures	21,280,728	1,480,664	-	22,761,392	6,701,004	1,369,891	-	8,070,895	14,690,497	14,579,724
10	Office Equipments	2,471,097	358,110	-	2,829,207	1,304,958	111,851	-	1,416,809	1,412,398	1,166,139
11	Cars & Vehicles	14,350,099	3,737,092	1,564,137	16,523,054	4,170,514	1,296,350	831,087	4,635,777	11,887,277	10,179,585
12	Computer & Software	8,204,992	481,476	-	8,686,468	5,412,441	683,324	-	6,095,765	2,590,703	2,792,551
	T O T A L	487,982,063	363,701,958	1,564,137	850,119,884	156,455,198	27,008,366	831,087	182,632,477	667,487,407	331,526,865
	Previous Year	448,749,901	42,525,640	3,293,478	487,982,063	140,045,120	18,251,863	1,841,785	156,455,198	331,526,865	-

Note : 1 Depreciation in respect of assets acquired upto 30.06.85 is provided on W.D.V. Method. On additions to assets after 1.7.85 is provided on Straight Line Method as per rates of Depreciation specified in Schedule XIV of Companies Act, 1956.

- 2 Factory Building at Kandivali and Advent Nariman Point Office Building include an amount of Rs. 250/- representing value of share in Co-operative Housing Society Limited.
- 3 Factory Lease Hold Land and Building thereon at Kandivili works and Advent Nariman Point Office Building are revalued as on 31.03.94. (Refer Note No.18 Schedule 21).

Schedules attached to and forming part of the Balance Sheet as at 30th June, 2009 (Contd.)

(Rupees)

	Year Ended 30-06-2009	Year Ended 30-06-2008
SCHEDULE : 6		
INVESTMENTS		
OTHER INVESTMENTS NON TRADE & UNQUOTED		
10 Equity Shares of the Mogaveera Co-Op. Bank Ltd. Of Rs. 100/- each fully paid up	1,000	1,000
4000 Equity Shares of The Greater Bombay Co-operative Bank Limited of Rs. 25/- each fully paid-up	100,000	100,000
1200 Equity Shares of EcoMedia Infosystems Pvt. Ltd. of Rs. 10/- each fully paid-up	12,000	12,000
	113,000	113,000
SCHEDULE : 7		
INVENTORIES (As taken, valued and certified by the Management)		
Raw Materials	120,535,540	166,650,824
Semi Finished Goods	103,385,828	147,713,208
Finished Goods	204,662,509	168,986,105
	428,583,877	483,350,137
SCHEDULE : 8		
SUNDRY DEBTORS (Unsecured considered good)		
Outstanding for a period exceeding six months	83,576,500	96,605,935
Other Debtors	717,285,689	314,688,277
	800,862,189	411,294,212
SCHEDULE : 9		
CASH AND BANK BALANCES		
Balances with scheduled Banks in Current Accounts	12,393,771	48,263,965
Cash in hand	2,801,757	2,609,637
Margin Money Deposits (Against LC/BG)	8,887,476	9,283,776
	24,083,004	60,157,378
SCHEDULE : 10		
LOANS AND ADVANCES (Unsecured considered good)		
Advances Recoverable in Cash or in kind or for value to be received	30,997,454	37,779,060
Advances to Employees	7,491,994	5,046,874
Balance with Central Excise Authorities	501,030	5,587,986
Other Deposits	13,844,395	12,286,982
TDS / Advance tax	53,734,091	28,362,312
	106,568,964	89,063,214
SCHEDULE : 11		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	377,076,403	222,674,076
Other Liabilities	55,411,032	74,363,473
PROVISIONS		
Provision for leave Encashment	1,362,151	1,364,175
Provision for Gratuity	573,268	1,794,480
Provision for Taxation	98,422,224	38,304,015
Provision for Preference Dividend	3,915,640	2,935,640
Provision for P.F. Employee Benefits	112,314	108,318
Provision for Bonus	2,159,125	1,898,508
Provision for Dividend on 8.75% CCPs	-	13,207,514
Provision for Dividend Tax CCPs	-	2,244,617
Provision for FBT	-	303,842
	539,032,157	359,198,658

Schedules attached to and forming part of the Profit & Loss Account for the year ended 30th June 2009

(Rupees)

	Year Ended 30-06-2009	Year Ended 30-06-2008
SCHEDULE : 12		
SALES		
Local Sales	2,023,937,960	1,428,553,294
Export Sales	66,652,209	92,603,294
Gross Sales	2,090,590,169	1,521,156,588
Less-Excise Duty	184,510,879	178,272,249
Net Sales	1,906,079,290	1,342,884,339
SCHEDULE : 13		
MISCELLANEOUS RECEIPT		
Miscellaneous Receipt	1,108,630	926,035
Insurance Claim Received	5,101,287	3,831,964
LeaseRent/commission & Interest Received	53,516	210,109
	6,263,433	4,968,108
SCHEDULE : 14		
PURCHASES		
Purchases (Net of value of unutilised Advance Licenses) (Refer note no. 11 of Schedule 21)	1,275,164,386	1,139,022,919
Raw Material Imported	39,689,131	31,448,361
	1,314,853,517	1,170,471,280
SCHEDULE : 15		
(INCREASE) / DECREASE IN STOCKS		
Opening Stock		
Semi Finished Goods	147,713,208	81,927,828
Finished Goods	168,986,105	70,843,500
	316,699,313	152,771,328
Closing Stock		
Semi Finished Goods	103,385,828	147,713,208
Finished Goods	204,662,509	168,986,105
	308,048,337	316,699,313
	8,650,976	(163927985)
SCHEDULE : 16		
MANUFACTURING EXPENSES		
Manufacturing Expenses	5,827,251	5,411,087
Power & Fuel Charges	13,198,814	7,489,566
Testing Fees	7,331,184	5,137,713
	26,357,249	18,038,366
SCHEDULE : 17		
SALARIES, WAGES AND OTHER EMPLOYEE BENEFITS		
Salaries, Wages and Bonus etc.	70,847,980	55,162,699
Provident Fund, ESIC and Staff Welfare	5,169,329	7,123,556
	76,017,309	62,286,255

Schedules attached to and forming part of the Profit & Loss Account for the year ended 30th June 2009 (Contd.)

(Rupees)

	Year Ended 30-06-2009	Year Ended 30-06-2008
SCHEDULE : 18		
SELLING EXPENSES		
Freight, Fare & Carriage Outward & Packing	27,911,876	27,318,239
Loading and Unloading Charges	1,262,095	954,179
Insurance	3,061,099	1,617,907
Sales Commission	4,679,398	3,434,384
	36,914,468	33,324,709
SCHEDULE : 19		
FINANCIAL EXPENSES		
Interest on Secured Borrowings	58,824,630	44,492,913
Interest to Suppliers and others	5,529,400	1,713,525
Bank commission, Bank guarantee charges & Other charges	13,083,610	8,838,190
	77,437,640	55,044,628
SCHEDULE : 20		
ADMINISTRATIVE & OTHER EXPENSES		
Legal & Consultation	2,678,089	4,295,285
Advertisement & Sales promotion	3,035,509	4,345,115
Travelling, Conveyance, Motor expenses & Office Expenses	17,841,626	14,043,343
Postage, Telegram & Telephone expenses	2,352,995	2,023,319
Printing and Stationery	2,406,250	1,802,171
Audit Fees	225,000	200,000
Rent, Rates and Taxes	9,883,749	9,907,720
Repairs & Maintenance		
Building	51,112	422,166
Others	2,170,851	1,896,868
Bad Debts	29,244,563	-
Other Expenses	5,156,682	4,937,029
	75,046,426	43,873,016

Schedules attached to and forming part of the Profit & Loss Account for the year ended 30th June 2009 (Contd.)

SCHEDULE : 21

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2009.

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements:

The financial statements are prepared under the historical cost convention, on accrual basis of accounting and in accordance with the provisions of the companies Act, 1956 and comply with the Accounting Standards issued by the institute of Chartered Accountants of India.

2. Use of Estimates

The Preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

3. Fixed Assets :

Fixed Assets are stated at cost of acquisition (net of Cenvat and VAT wherever applicable) or construction less accumulated depreciation and impairment loss, if any. Cost includes any directly attributable cost of bringing each asset to its working condition for intended use. Assets under installation or under construction as at balance sheet date are shown as capital work in progress together with project expenses and advances to suppliers/contractors.

4. Depreciation

Depreciation in respect of all assets acquired up to 30th June, 1985 is provided on 'Written Down Value' method. For additions on or after 1st July, 1985 Straight Line Method of depreciation has been adopted. The rates charged are as specified in Schedule XIV of the Companies Act, 1956 as amended for time to time.

5. Impairment of Assets

An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on an appropriated discount factor. The impairment loss recognized in the prior accounting years is reversed if there has been a change in the estimate of recoverable amount.

6. Investments

Current investments are carried at the lower of cost or quoted/fair value, computed category-wise. Long term investments are stated at cost and provision is made for any diminution in such value, which is not temporary in nature.

7. Valuation of Inventories:

- a. Raw Materials including consumables and stores are valued at lower of Cost and Net Realisable Value.
- b. Semi-finished and Finished Goods are valued at cost of materials together with relevant factory overheads or net realizable value whichever is lower. Due consideration is given to the saleability of the stock and no obsolete or unserviceable\damaged items are included.

8. Revenue Recognition :

- a. Insurance and Duty Drawback on export are accounted for as and when admitted by the appropriate authorities. Values of advance licenses unutilized are accounted on accrual basis.
- b. Commission on sales is accounted as and when accepted.
- c. Sales are recognized on dispatch of goods to customers and include sales value of goods and excise duty and other receipts connected with sales.
- d. Liability for Excise Duty on finished goods is accounted for as and when they are cleared from the factory premises.
- e. Customs Duty on goods lying in Customs Bonded Warehouses is charged in the year of clearance of the goods when it becomes payable.
- f. CENVAT benefit on total purchase is accounted for by reducing the purchase cost of the materials\fixed assets wherever applicable.

9. Employee Benefits:

- a. Company's defined contributions made to provident fund of government are charged to profit & loss account on accrual basis
- b. Contribution to Gratuity Fund and provision for Leave Encashment is based on actuarial valuation carried out as on the Balance Sheet date as per Projected Unit Credit Method.

10. Foreign Currency Transactions:

Foreign Currency transactions are accounted at the exchange rates prevailing on the date of transactions. Foreign currency current assets and current liabilities outstanding at the balance sheet date are translated at the exchange

Schedules attached to and forming part of the Profit & Loss Account for the year ended 30th June 2009 (Contd.)

SCHEDULE : 21

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2009. (Contd.)

rate prevailing on that date and the resultant gain or loss is recognized in the profit & loss account. In cases where they relate to the acquisition/construction of fixed assets, they are adjusted to the carrying cost of fixed assets.

11. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets up to the date when they are ready for their intended use and other borrowing costs are charged to profit & loss account.

12. Taxation

Provision for taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961.

Deferred Tax resulting from "timing difference" between book profit and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a certainty that the asset will be adjusted in future.

13. Contingent Liabilities

Claims against the Company not acknowledged as debts are treated as contingent liabilities. Provision in respect of contingent liabilities if any, is made when it is probable that a liability may be incurred and the amount can be reasonably estimated.

B. NOTES TO ACCOUNTS

- Estimated amount of contracts (net of advances) remaining to be executed on capital Account and not provided for Rs. NIL (Previous Year Rs. 41.49 Million).
- Contingent liabilities are not provided in the accounts in respect of the followings:

		(Rs. in Million)	
		Year Ending 30-06-2009	Year Ending 30-06-2008
a)	Guarantees Given	224.75	157.69
b)	Income Tax Demands (A.Y. 1998-99, 2000-01 & 2007-08)	1.52	2.00
c)	Claims Made against Company not acknowledged as Debts	14.14	NIL

- Directors' Remuneration (Excluding Sitting Fees):

		(Rs. in Million)	
		Year Ending 30-06-2009	Year Ending 30-06-2008
1.	Salary & Allowances	4.35	3.89
2.	Other benefits	1.27	0.90
3.	Commission to Directors	12.50	9.14

- Auditor's Remuneration (excluding service tax)

		(Rs. in Million)	
		Year Ending 30-06-2009	Year Ending 30-06-2008
	For Statutory Audit	0.15	0.13
	For Tax Audit.	0.08	0.07

- As per accounting standard 15 on employee benefits, the disclosures of employee benefits as defined in the accounting standard are given below.

I. DEFINED CONTRIBUTION PLAN

Contributions to defined contribution plan; recognized as expenses for the year are as under.

		(Rs. in Million)
Particulars		30-06-2009
Employer's contribution to Provident Fund		2.59

II. DEFINED BENEFITS PLANS

- Contribution to Gratuity Fund
- The Company regularly contributes to the gratuity fund called the "Industrial Meters Private Limited Gratuity Fund" framed under the Payment of Gratuity Act, 1972, which is a defined benefit plan.

A. CHANGES IN DEFINED BENEFIT OBLIGATION: (Rs. in Million)

Particulars	30-06-2009
Liability at the beginning of the year	7.09
Current Service Cost	0.76
Benefit Paid	(0.39)
Actuarial (gain)/loss on obligations	(0.19)
Liability at the end of the year	7.27

B. CHANGES IN THE FAIR VALUE OF PLAN ASSETS FOR GRATUITY (FUNDED SCHEME): (Rs. in Million)

Particulars	30-06-2009
Fair Value of Plan Assets at the beginning of the year	7.09
Benefit Paid	(0.39)
Actuarial gain/(loss) on Plan Assets	(0.004)
Fair Value of Plan Assets at the end of the year	6.7
Total Actuarial Gain / (Loss) To Be Recognized	0.19

Schedules attached to and forming part of the Profit & Loss Account for the year ended 30th June 2009 (Contd.)

SCHEDULE : 21

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2009. (Contd.)

C. AMOUNT RECOGNIZED IN THE BALANCE SHEET: (Rs. in Million)

Particulars	30-06-2009
Defined Benefit Obligation as at June 30, 2009	7.27
Fair Value of Plan Assets as at June 30, 2009	6.7
Liability / (Asset) recognized in the Balance Sheet included in the Balance Sheet included in Current Liabilities and Provisions	0.57

D. EXPENSES RECOGNIZED IN THE PROFIT & LOSS ACCOUNT: (Rs. in Million)

Particulars	30-06-2009
Current Service Cost	0.76
Actuarial (Gain) or Loss	(0.19)
Expense Recognized in P & L	0.57

E. ACTUARIAL ASSUMPTIONS:

Particulars	30-06-2009
Discount Rate Current	7.50%
Rate of Return on Plan Assets Current	8.00%
Salary Escalation Current	5.00%
Attrition Rate Current Year	2.00%

6. Information given under Clause 4-C, 4-D of Part II of Schedule VI to the Companies Act, 1956.

A. CAPACITY AND PRODUCTION : (as certified by the Management & relied upon by Auditors.)

	CAPACITY		
	Licence	Installed	Production
a) Distribution & Power Transformers	N.A.	7,000 MVA	3,712 MVA
	N.A.	(3,600 MVA)	(2,524 MVA)
b) Electrical Measuring Instruments & Testing Equipments	N.A.	1,64,400 Nos	72,812 Nos
	N.A.	(1,64,400 Nos)	(90,083 Nos)

(Figures in brackets are of previous year)

B. OPENING AND CLOSING STOCK OF FINISHED GOODS :

(Rs. in Million)

Description of Products	Year Ending 30-06-2009		Year Ending 30-06-2008	
	Qty. in Nos.	Value in Rs.	Qty. in Nos.	Value in Rs.
a) Distribution and Power Transformers				
Opening Stock	31	163.51	46	69.74
Closing Stock	37	201.84	31	163.51
b) Electrical Measuring Instrument & Testing Equipments				
Opening Stock	4527	5.48	1020	1.10
Closing Stock	10433	2.82	4527	5.48

C. PARTICULARS OF SALES INCLUDING RAW MATERIALS AND SPARE PARTS ITEMS : (As valued and certified by Management)

Description of Products	Year Ending 30-06-2009		Year Ending 30-06-2008	
	Qty. in Nos.	Value in Rs.	Qty. in Nos.	Value in Rs.
a) Distribution and Power Transformers & parts of Transformers and accessories thereof	282	2060.31	272	1481.88
b) Electrical Measuring Instruments & Testing Equipments.	66906	30.28	86576	39.27

D. RAW MATERIALS CONSUMPTION INCLUDING SPARE PARTS PURCHASES : (AS VALUED AND CERTIFIED BY MANAGEMENT)

Description of Material	Units	Year Ending 30-06-2009		Year Ending 30-06-2008	
		Qty. in Nos.	Value in Rs.	Qty. in Nos.	Value in Rs.
a) Copper Wire & Strips	Tons.	1059	410.50	864	349.55
b) Transformer Oil	K. Ltr.	2184	136.16	1765	73.13
c) Lamination	Tons.	1936	521.49	1609	467.56
d) Others			292.82		240.11

Schedules attached to and forming part of the Profit & Loss Account for the year ended 30th June 2009 (Contd.)

SCHEDULE : 21

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2009. (Contd.)

E) VALUE OF ALL IMPORTED & INDIGENOUS RAW MATERIALS CONSUMED INCLUDING SPARE PARTS SALES DURING THE YEAR

(Rs. in Million)

	Year Ending 30-06-2009	%	Year Ending 30-06-2008	%
a. Imported	39.69	2.92	25.41	2.25
b. Indigenous	1321.28	97.08	1104.94	97.75
	1360.97	100.00	1130.35	100.00

	Year Ending 30-06-2009	Year Ending 30-06-2008
7. Expenditure and Earnings in Foreign Currency		
a. On purchase of Raw Materials	29.97	33.79
b. Traveling & Other Expenses	1.13	2.22
c. Earning in Foreign Currency on export of goods on FOB basis	66.65	92.57

8. Previous Year's figures have been regrouped and rearranged wherever necessary to make them comparable with the current year's figures. Also the previous year figures have been audited by another chartered accountants firm and relied upon by the current auditors.
9. During the year, the Company has converted 150000 warrants into equity Shares at an exercise price of Rs.161 to promoter group on preferential basis. The Company has converted 1180000 8.75% compulsorily convertible preference shares into equity shares at an exercise price of Rs.161 to persons other than Promoter group. The Company has not received the balance 90% amount from 450000 warrants, thus the Company has forfeited Warrant Application money of Rs.7,445,000 of these Warrants.
10. The Gross depreciation for the year amounting to Rs.27.01 million (Previous year Rs. 18.25 million) from which has been deducted a sum of Rs.1.33 million (Previous year Rs. 1.33 million) being the extra Depreciation arising on Revaluation of some of the Fixed Assets which has been drawn from Revaluation Reserve Account. The net charge to Profit & Loss Account towards depreciation for the year amounts to Rs.25.68 million (Previous year Rs. 16.92 million).
11. The Company has undertaken export & deemed exports of its products, by using indigenous raw materials. Against such exports the Company has received Quantity Based Advance Licenses entitling them to import certain raw materials at NIL customs Duty. The unutilized portion of these licenses amounting to Rs.6.78 million (Previous year Rs.4.75 million) has been valued at prevailing Customs Duty rates as on 30th June, 2009 and taken credit in the books of accounts in accordance with the matching principle of accountancy.
12. During the year the company has declared and paid interim dividend @ 8.75% on 8.75% Compulsory Convertible Preference Shares aggregating to Rs. 16.62 million.
13. The Company is primarily engaged in the business of Electrical Products like Power & Distribution Transformers, Meters and it's parts, which together constitute a single Segment in accordance with the accounting standard on "Segment Reporting" (AS 17). Therefore segment wise information as required by AS-17 on segment Reporting is not applicable.
14. Provision for taxation has been made with reference to profit for the year ended 30th June, 2009 in accordance with provision of Income Tax Act, 1961 and rules framed there under. The ultimate tax liability for the Assessment Year 2009-2010 will be determined on the basis of total income for the year ending on 31st March, 2009.
15. Based on the Information available with the company and relied upon by the auditors to the extent enterprise could be identified as micro and Small, the following disclosure in respected of Medium and small enterprises as defined under micro small & Medium Enterprises Development Act,2006 is as under.

Sr.No	Particulars	(Rs.in Million)
a)	The Principal amount and the interest due thereon remaining unpaid to any supplier as at June 30, 2009	
	Principal Amount	0.58
	Interest Amount	NIL
b)	The amount of Interest paid by the company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending June 30, 2009	NIL
c)	The amount of Interest due and payable for the period of delay in making payment (beyond the appointed day during the year)	NIL
d)	The amount of Interest accrued and remaining unpaid for the year ending June 30,2009	NIL
e)	The amount further interest remaining due and payable for the earlier years.	NIL
f)	Total outstanding dues of Micro enterprises and Small Enterprises	0.58

Schedules attached to and forming part of the Profit & Loss Account for the year ended 30th June 2009 (Contd.)

SCHEDULE : 21

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2009. (Contd.)

16. Deferred Tax Assets / Liability –	(Rs.in Million)
	30-06-2009
Deferred Tax Liability pertaining to timing difference of Depreciation	17.65
Deferred Tax Assets pertains to disallowance of expenses	2.49
(Deferred Tax Liability has been shown net of deferred tax Assets)	15.16

17. The carrying amount of Assets does not exceeds the recoverable amount of Assets, hence no Provision is required to be made for impairment of assets as required under the Accounting Standard-28-Impairment of Assets.

18. Based on valuation report submitted by a professional valuer appointed for the purpose of valuing Factory Lease Hold Land & Building at Kandivali works & building Head office, the same have been revalued as at 31st March, 1994 on current cost basis. The resultant increase in net book value on such revaluation amounting to Rs. 67.70 million was transferred to Revaluation Reserve account.

19. Greater Bombay Co-operative Bank Ltd (GBCB) did not join the CDR Scheme which was considered and approved by other consortium bankers/ financial institution in the year 2004-05. GBCB did not work out on the revised repayment plan. Instead GBCB initiated the legal actions against the company. The company has filed petition u/s 391 of the Companies Act in the High court and the matter is pending in the court. However the company has provided interest in the books of accounts.

20. Related party Disclosure:

A. Associated & Other Parties –

Raga Organics P. Ltd.
 Universal Transformers Pvt.Ltd.
 Advance Transformers & Equipments Pvt. Ltd.
 Shree Rasbihari Trading and Investment Pvt. Ltd.
 Shree Kishoriju Trading and Investment Pvt. Ltd.
 Raj Exports Pvt. Ltd.
 Shree Rasbihari Electricals Pvt. Ltd.
 Mangalam Laboratories P. Ltd.
 Eco Media Infosystems P. Ltd.
 Shree & Sons
 Ramniwas R Dhoot (HUF)

B. Board Of Directors –

- Chairman – Shri Ramniwas R Dhoot
- Managing Director- Shri Ajay R Dhoot
- Jt .Managing Director–Shri Aaditya R Dhoot

C. Relative of Directors –

- Rajkumari R Dhoot
- Smita A. Dhoot
- Radhika A. Dhoot

D. Transaction during the year with related parties are as under-

(Rs. In Million)			
S.no.	Particulars	2009	2008
1	Purchases	Nil	Nil
2	Sales	Nil	Nil
3	Rent/ Leasing Charges paid	0.75	0.78
4	Unsecured Loan	2.95	5.30
5	Allotment of Shares on Pref. Basis	Nil	47.47
6	Labour Charge	1.96	1.89
7	Warrant Application Money	Nil	31.94
8	Managerial Remuneration	18.12	13.93

E. AS at the year ended - Amount due to:-

(Rs. In Million)			
S.no.	Particulars	2009	2008
1	Advance Transformers & Equipment Pvt. Ltd.	6.49	6.32
2	Universal Transformers Pvt. Ltd.	Nil	Nil
3	Shree Rasbihari Trading & Investment Pvt. Ltd	0.85	0.73
4	Smt. Rajkumari R Dhoot	0.13	0.13
5	Shri Ajay R Dhoot	4.29	3.17
6	Shri Aaditya R Dhoot	4.30	3.05
7	Shri R R Dhoot	4.30	3.00
8	Smita A Dhoot	Nil	0.89
9	Radhika A Dhoot	0.18	2.30
10	R R Dhoot (HUF)	0.02	Nil

Schedules attached to and forming part of the Profit & Loss Account for the year ended 30th June 2009 (Contd.)

SCHEDULE : 21

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2009. (Contd.)

21. Basic and diluted earnings per share calculated in compliance with the provision of Accounting standard (AS20) for the year ending 30-6-2009.

	Year Ending 30-06-2009	Year Ending 30-06-2008
1. Weighted average number of shares(For basic)	7,419,960	6,721,221
2. Profit (Loss) before extra ordinary items for the year of equity shareholder(Basic)	1,52,229,484	88,434,947
3. Profit (Loss) After extra ordinary items for the year of equity shareholder(Basic)	1,52,229,484	77,127,097
4. Earning Per Share before extra ordinary items (Basic)	20.52	13.16
5. Earning Per Share After extra ordinary items (Basic)	20.52	11.48
6. Weighted average number of shares(For Diluted)	7,419,960	7,658,756
7. Profit (Loss) before extra ordinary items for the year of equity shareholder (Diluted)	1,52,229,484	1,03,887,078
8. Profit (Loss) After extra ordinary items for the year of equity shareholder (Diluted)	1,52,229,484	92,579,228
9. Earning Per Share Before extra ordinary items (Diluted)	20.52	13.56
10. Earning Per Share After extra ordinary items (Diluted)	20.52	12.09
11. Nominal Value per share	10/-	10/-

As per our report of even date.

For **Batliboi & Purohit**

Chartered Accountants

(C A R. D. HANGEKAR), Partner

M.No.30615

Place : Mumbai

Dated : 15th September, 2009

On behalf of the Board of Directors

AJAY R DHOOT
Managing Director

V.H. MULWAD
Company Secretary

AADITYA R DHOOT
Jt. Managing Director

Cash Flow Statement

for the year ended 30th June 2009

(Rupees)

	Year Ended 30-06-2009		Year Ended 30-06-2008	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax		225,272,944		151,942,041
Adjusted for				
Depreciation	25,676,910		16,920,407	
Direct Tax	(62,152,606)		(374,762,15)	
Interest	77,437,640		55,044,628	
Loss on Sale of Fixed Asset	490,884		115,419	
Extra-ordinary items	-	41,452,828	(11,307,850)	24,335,162
Operating Profit before Working Capital Changes		266,725,772		176,277,203
Adjusted for				
Trade & other receivables	(407,073,727)		(59,989,990)	
Inventories	54,766,260		(20,404,825)	
Trade Payables	179,833,500	(172,473,967)	20,621,840	(3,828,842)
NET CASH FROM OPERATING ACTIVITIES		94,251,805		172,448,361
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase/ Sales of Fixed Assets (Net)		(363,459,793)		(42,228,139)
(Increase) / Decrease in Capital Work in Progress		158,714,051		(193,841,092)
Investment W/Off and Purchases (Net)		(204,745,742)		2,988,000
NET CASH USED IN INVESTING ACTIVITIES		(204,745,742)		(233,081,231)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Increase in Capital		-	24,143,800	
Refund of excess warrant Application Money	(3,763,000)		-	
Proceeds from borrowings	(2,953,095)		(24,283,535)	
Loans from Banks & Financial Institutions	163,549,539		(69,827,014)	
Interest Paid	(77,437,640)		(55,044,628)	
Dividend on Preference Shares (Net)	(4,395,737)		(14,187,514)	
Dividend Tax (Net)	(580,504)	74,419,563	(22,446,617)	75,850,692
NET CASH USED IN FINANCING ACTIVITIES		74,419,563		75,850,692
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)		(36,074,374)		15,217,822
CASH AND CASH EQUIVALENT OPENING BALANCE		60,157,378		44,939,556
CASH AND CASH EQUIVALENT CLOSING BALANCE		24,083,004		60,157,378

On behalf of the Board of Directors

AJAY R DHOOT
Managing Director

AADITYA R DHOOT
Jt. Managing Director

Place : Mumbai
Dated : 15th September, 2009

V.H. MULWAD
Company Secretary

Auditors' Certificate

We have verified the above cash flow statement of IMP Powers Limited derived from the audited financial statements for the period ended on 30th June' 2009 and found the same to be drawn in accordance therewith and also with the requirements of clause 32 of the listing agreements with Stock exchanges.

As per our report of even date

For **Batliboi & Purohit**
Chartered Accountants
(C A R. D. HANGEKAR)
Partner
(M. No. 30615)

Place : Mumbai
Dated : 15th September 2009

Balance Sheet Abstract attached to and forming part of the Profit & Loss Account for the year

I. Registration Details

Registration No.	1 1 9 6 3	State Code	54
Balance Sheet Date	3 0 - 0 6 - 0 9		
CIN No.	L31300DN1961PLC000232		

II. Capital Raised during the Year (Amt in Rs.'000)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

III. Position of Mobilisation and Deployment of Funds (Amt.in.Rs.'000)

Total Liabilities	15,31,160	Total Assets	15,31,160
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Source of Funds

Paid-up Capital	1,05,888	Reserves and Surplus	7,42,379
Secured Loan	6,41,810	Unsecured Loan	25,919
Deferred Tax Liabilities(Assets)	15,164		

Application of Funds

Net Fixed Assets	6,67,488	Capital Work in Progress	42,493
Investment	113	Net Current Asstes	8,21,066
		Accumulated Losses	Nil

IV. Performance of Company (Amount in Rs. '000)

Turnover	1,912,343	Total Expenditure	1,687,070
Profit/Loss before Tax	+225273	Profit/Loss after Tax	+1,57,206
Net Profit (+)/Loss (-)After extra- ordinary items	+1,57,206	Dividend Rate %	Nil
Earning Per Share Rs.	20.52		

V. Generic names of Three Pricpal Products/ Service of the Comapany (as per monetary terms)

Item Code No. (ITC Code)	8,504	Product Description	Power & Distribution Transformers
	9,030		Meters

For IMP POWERS LTD.

AJAY R DHOOT
Managing Director

AADITYA R DHOOT
Jt. Managing Director

V.H. MULWAD
Company Secretary

Place : Mumbai
Dated : 15th September, 2009

Shareholder/Analyst Information

1. REGISTRAR/SHARE TRANSFER AGENT

Link Intime India Pvt Ltd.
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup, Mumbai -400078
Tel: 022-25963838; Fax: 25946969

2. ANNUAL GENERAL MEETING

Day and Date: Tuesday, the 15th December 2009
Time : 3.00 P.M.
Venue : Survey No. 263/3/2/2, Sayli Village,
Umar Kuin Road, Silvassa (U.T D&NH)-396230

3. BOOK CLOSURE

Wednesday, 9th December 2009 to Tuesday, 15th December 2009(both days inclusive)

4. SHAREHOLDING PATTERN AS ON 30TH JUNE 2009

Category	No. of Shares	%
Promoters	3291724	40.45
Public	4844839	59.55
Total	8136563	100.00

5. DISTRIBUTION SCHEDULE AS ON 30TH JUNE 2009

Category (shares) Rupees			No. of Shareholders	% of Total	No. of Shares Held	% of Total
1	-	5000	5437	90.02	653912	8.04
5001	-	10000	301	4.98	245248	3.01
10001	-	20000	145	2.40	224058	2.75
20001	-	30000	41	0.68	105085	1.29
30001	-	40000	24	0.40	88502	1.09
40001	-	50000	14	0.23	65868	0.81
50001	-	100000	31	0.51	229336	2.82
100001	-	Above	47	0.78	6524554	80.19
Total			6040	100.000	8136563	100.000

6. LISTING

Bombay Stock Exchange and National Stock Exchange

7. DESIGNATED EMAIL-ID FOR INVESTORS COMPLAINTS/QUERIES

investor@imp-powers.com

8. ANALYST QUERIES TO

Shri Aaditya R Dhoot, Jt Managing Director
Shri Deepak Shah, V.P. (F & A)



IMP POWERS LIMITED

Registered office : Survey No 263/ 3/ 2 /2 Sayli Village ,Umar Kuin Road Silvassa (U.T.)

PROXY FORM

I/We.....
of.....being Member / Members of IMP Powers Limited hereby appoint.....ofor failing
him.....ofOr failing him.....of.....as my/our proxy to attend and vote for me/us
on my/our behalf at the 47th Annual General Meeting of the company to be held on Tuesday the 15th December 2009 at the Registered office of the
company or at any adjournment thereof.

A witness my/our hand(s) thisday of.....2009

Signed by the said

Ledger Folio No.

D.P. Id*

Client Id*

No. of shares held

* Applicable if shares are held in electronic form.

Note: The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time of the holding the Meeting.



IMP POWERS LIMITED

Registered office : Survey No 263/ 3/ 2 /2 Sayli Village ,Umar Kuin Road Silvassa (U.T.)

ATTENDANCE SLIP

Please bring the attendance slip and hand it over at the entrance of the venue of the meeting

I/We.....
of..... being Member / Members of IMP Powers Limited residing at Address
.....
.....

Folio NO : DP.ID. CLIENT I.D.*

Applicable to the investors holding shares in electronic form

I hereby record my presence at the 47th Annual General Meeting of the company to be held on Tuesday 15th December 2009 at the registered office of
the Company situated at the above address or at any adjournment thereof.

No. of shares held

.....
Signature of the Member or Proxy



IMP Powers Ltd.

POWER to "POWER" your future...

www.imp-powers.com