

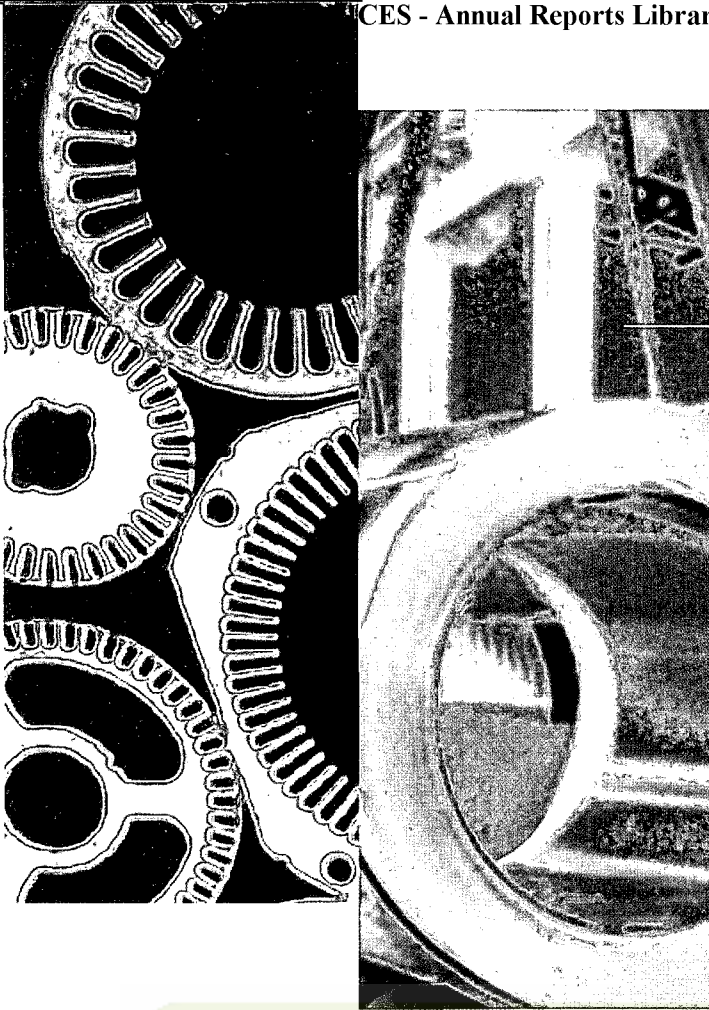
Annual Report 2006-07



power behind power



Bilpower Limited



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Bilpower Limited

Regd. Office : Vikas Chambers, 2nd floor, Junction of Link & Marve Road,
Malad (W), Mumbai - 400 064. Tel - (91 22) 2888 5929 / 2888 7597
Fax - (91 22) 2881 1225 email - info@bilpower.com

Notice

NOTICE is hereby given that the 18th Annual General Meeting of the Members of **BILPOWER Limited** will be held at **Goregaon Sports Club, Link Road, Malad (West), Mumbai - 400 064** on Saturday 22nd September, 2007 at 5.30 p.m. to transact the following business -

Ordinary Business

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2007, Profit & Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon
2. To declare Final Dividend on 90,00,800 equity shares for the year ended 31st March, 2007
3. To appoint a Director in place of **Mr. Anil Raika**, who retires by rotation and being eligible offers himself for re-appointment
4. To appoint a Director in place of **Mr. Vinod Kumar Agrawal**, who retires by rotation and being eligible offers himself for re-appointment
5. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the Next Annual General Meeting and to fix their remuneration

Special Business

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"IT IS RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of The Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, **Mr. V.K. Pandit**, who was appointed as an Additional Director pursuant to the provisions of Section 260 of The Companies Act, 1956, be and is hereby appointed as a Director of the Company subject to retirement by rotation under the provisions of the Articles of Association of the Company".

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"IT IS RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of The Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, **Mr. Jayant Godbole**, who was appointed as an Additional Director pursuant to the provisions of Section 260 of The Companies Act, 1956, be and is hereby appointed as a Director of the Company subject to retirement by rotation under the provisions of the Articles of Association of the Company".

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"IT IS RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of The Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, **Mr. Ashok Bansal**, who was appointed as an Additional Director, designated as a Whole Time Director, pursuant to the provisions of Section 260 of The Companies Act, 1956, be and is hereby appointed as a Director of the Company subject to retirement by rotation under the provisions of the Articles of Association of the Company

RESOLVED FURTHER THAT pursuant to the provisions of Section 198, 269, 309, 310 and Schedule XIII and all other applicable provisions, if any, of The Companies Act, 1956 and subject to such approvals and sanctions as may be necessary, the company hereby accords its approval for the appointment of Whole Time Director Mr. Ashok Bansal, for a period of 5(Five) years with effect from 26th July, 2007, at the terms and conditions as set out in the explanatory statement relating to the resolution with powers to the Board of Directors to alter and vary terms and conditions and remuneration (including minimum remuneration in case of absence or inadequacy of profits) in such manner as the Board may deem fit and is acceptable to Mr. Ashok Bansal within the limits specified in Schedule XIII of The Companies Act, 1956 or any amendments thereto

RESOLVED FURTHER THAT in the event of there being loss or inadequacy of profits for any financial year, the remuneration and perquisites as set out in the aforesaid draft agreement shall be paid to Mr. Ashok Bansal as minimum remuneration

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to schedule XIII to the Companies Act 1956 the Board of Directors be and is hereby authorized to vary the remuneration including salary, perquisites, allowances etc. within such prescribed limits or ceiling and the agreement between the company and Whole Time Director, Mr. Ashok Bansal be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in the General Meeting

AND THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, things and to execute any agreements, documents or instructions as may be required to give effect to the aforesaid resolution."

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

"RESOLVED THAT the Authorized Share Capital of the company be and is hereby increased from Rs.15,00,00,000/- (Rupees Fifteen Crores only) to Rs.20,00,00,000/- (Rupees Twenty Crores only) by creation of 50,00,000 (Fifty Lacs)



Bilpower Limited

Equity Shares of Rs.10/- (Rupees Ten only) each ranking parri passu with the existing equity shares of the Company."

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

"RESOLVED THAT Clause V of the Memorandum of Association of the Company be and is hereby altered and that the following be substituted in place and stead thereof:

V. The Authorized Share Capital of the Company is Rs.20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs.10/- (Rupees Ten only) each with power to increase, consolidate, sub-divide, reduce or otherwise alter its share Capital from time to time in accordance with the regulations of the Company and the legislative provisions for the time being in force in this behalf."

11. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special resolution:

"RESOLVED THAT Article 3 of Articles of Association of the Company be and is hereby altered and that the following be substituted in place and stead thereof:

3 The Authorized Share Capital of the Company is Rs.20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs.10/- (Rupees Ten only) each with power to increase, consolidate, sub-divide, reduce or otherwise alter its share Capital from time to time in accordance with the regulations of the Company and the legislative provisions for the time being in force in this behalf."

12. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"IT IS RESOLVED THAT pursuant to the provisions of Section 293 (1)(d) and all other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its consent to the Board of Directors for borrowing any sum or sums of money from time to time, from any one or more banks and/or from any one or more persons, firms, bodies corporate, financial institutions, multi-lateral agencies, foreign institutional investors, foreign financial institutions, mutual funds and from any other persons or combinations thereof whether by way of overdraft, cash credit, advance, deposits, loans, debentures or bill discounting or otherwise and whether unsecured or secured by way of mortgage, charge, hypothecation, lien or pledge of the Company's assets and properties, whether in full or in part, whether immovable, moveable or stock-in-trade (including spares, components, and/or stock-in-transit), current assets and all or any other undertakings of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves (that is

to say, reserves not set apart for any specific purposes) by a sum not exceeding Rs.500 crores (Rupees Five Hundred Crores only) in rupees and/or in equivalent foreign currency."

13. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"IT IS RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293 (1)(a) and all other applicable provisions of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof for time being in force) to the Board of Directors of the Company to create mortgage and/or charge an addition to the mortgage of the charges created / to be created by the Company in such form or manner and with such ranking and at such time and on such terms as the Board may determine on all or any of the immovable and/or movable properties of the Company, both present and future and /or in whole or any part of the undertaking of the Company together with the power to take over the management of the business and concern of the Company in certain events of default in favour of lender(s), agent(s) and trustee(s) for securing the borrowing of the Company availed / to be availed by way of loan(s) (in Rupees and foreign currency), non-convertible debentures, secured premium notes, floating rate notes /bonds or other instruments issued /to be issued by the Company from time to time subject to limits approved under Section 293 (1)(d) of the Companies Act, 1956 together with the interest at the respective rates, additional interest, compound interest in case of default, accumulated interests, liquidated damages, commitment charges, premia or pre-payment, remuneration of agent(s), trustee(s), premium, if any, on the rates of exchange and all other monies payable by the Company in terms of loan agreement(s), heads of agreement(s), debenture trust deed(s), loan agreement(s) or any other document(s) entered into / to be entered into between the Company and the lender(s)/agent(s) and trustee(s) in respect of the said loans / borrowings containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed between the Board of Directors or committee(s) formed by the Board of Directors thereof and the lender(s), agent(s), trustee(s)."

14. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"IT IS RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 and Schedule XIII and all other applicable provisions, if any, of The Companies Act, 1956 and subject to such approvals and sanctions as may be necessary, the company hereby accords its approval for the revision in the remuneration and perquisites with effect from 1st October, 2007 of Mr. Suresh Kumar Choudhary, Chairman, as set out in the explanatory statement relating to the resolution with powers to the Board of Directors to alter and vary terms and conditions and remuneration (including minimum remuneration in case of absence or inadequacy of profits) in such manner as the Board may deem fit and is acceptable to



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Mr. Suresh Kumar Choudhary within the limits specified in Schedule XIII of The Companies Act, 1956 or any amendments thereto.

RESOLVED FURTHER THAT in the event of there being loss or inadequacy of profits for the financial year, the remuneration and perquisites as set out in the aforesaid draft agreement shall be paid to Mr. Suresh Kumar Choudhary as minimum remuneration.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to schedule XIII to the Companies Act 1956 the Board of Directors be and is hereby authorized to vary the remuneration including salary, perquisites, allowances etc. within such prescribed limits or ceiling and the agreement between the company and Chairman, Mr. Suresh Kumar Choudhary be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in the General Meeting

AND THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, things and to execute any agreements, documents or instructions as may be required to give effect to the aforesaid resolution."

15. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"IT IS RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 and Schedule XIII and all other applicable provisions, if any, of The Companies Act, 1956 and subject to such approvals and sanctions as may be necessary, the company hereby accords its approval for the revision in the remuneration and perquisites with effect from 1st October, 2007 of Mr. Naresh Kumar Choudhary, Managing Director, as set out in the explanatory statement relating to the resolution with powers to the Board of Directors to alter and vary terms and conditions and remuneration (including minimum remuneration in case of absence or inadequacy of profits) in such manner as the Board may deem fit and is acceptable to Mr. Naresh Kumar Choudhary within the limits specified in Schedule XIII of The Companies Act, 1956 or any amendments thereto.

RESOLVED FURTHER THAT in the event of there being loss or inadequacy of profits for the financial year, the remuneration and perquisites as set out in the aforesaid draft agreement shall be paid to Mr. Naresh Kumar Choudhary as minimum remuneration.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to schedule XIII to the Companies Act 1956 the Board of Directors be and is hereby authorized to vary the remuneration including salary, perquisites, allowances etc. within such prescribed limits or ceiling and the agreement between the company and Managing Director, Mr. Naresh Kumar Choudhary be suitably amended to give effect to such modification, relaxation or variation without any further

reference to the members of the Company in the General Meeting

AND THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, things and to execute any agreements, documents or instructions as may be required to give effect to the aforesaid resolution."

16. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"IT IS RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 and Schedule XIII and all other applicable provisions, if any, of The Companies Act, 1956 and subject to such approvals and sanctions as may be necessary, the company hereby accords its approval for the re-appointment of Whole Time Director, Mr. Rajendra Kumar Choudhary for the period of five years with effect from 1st October, 2007 with revision in remuneration and perquisites with effect from 1st October, 2007 as set out in the explanatory statement relating to the resolution with powers to the Board of Directors to alter and vary terms and conditions and remuneration (including minimum remuneration in case of absence or inadequacy of profits) in such manner as the Board may deem fit and is acceptable to Mr. Rajendra Kumar Choudhary within the limits specified in Schedule XIII of The Companies Act, 1956 or any amendments thereto.

RESOLVED FURTHER THAT in the event of there being loss or inadequacy of profits for the financial year, the remuneration and perquisites as set out in the aforesaid draft agreement shall be paid to Mr. Rajendra Kumar Choudhary as minimum remuneration.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to schedule XIII to the Companies Act 1956 the Board of Directors be and is hereby authorized to vary the remuneration including salary, perquisites, allowances etc. within such prescribed limits or ceiling and the agreement between the company and Whole Time Director, Mr. Rajendra Kumar Choudhary be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in the General Meeting

AND THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, things and to execute any agreements, documents or instructions as may be required to give effect to the aforesaid resolution."

17. To consider and, if thought fit, to pass with our without modification the following as a Special Resolution -

"RESOLVED THAT subject to Section 17 and other applicable provisions, if any of the Companies Act, 1956 and subject to any conditions, modifications and / or alterations imposed or directed by the Registrar of Companies and as may be agreed to and accepted by the Board of Directors,



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new Clause No - 1 be inserted in lieu of present Clause No - 1 of the Clause No - III. (A) of the Memorandum of Association of the Company as under -

- 1 To carry on all or any of the businesses of manufacturing of and dealing in all kinds and types of Laminations, Cores, Core Assemblies, Stampings, Transformers, Meters, Motors, Invertors, Alternators, Cables, Insulators, Towers, Poles, Wires, Sub-stations, Lamps, Bulbs, Ballasts, Tube Lights, Cold Rolled Grain Oriented Steel, Cold Rolled Non Grain Oriented Steels and parts, components, intermediates, scrap and wastage of the above items, to do the business of laying of transmission and distribution lines, acting as contractors/ sub-contractors in and for EPC business, to draw and insulate copper and to carry on all or any of the above business as manufacturers, traders, dealers, agents, brokers, contractors or sub-contractors.

18. To consider and, if thought fit, to pass with or without modification, the following as a Special Resolution -

"IT IS RESOLVED THAT subject to alterations in main object clause of Memorandum of Association in terms of separate special resolution passed at this Meeting and the same being confirmed u/s 17 of the Companies Act, 1956 the approval be and is hereby accorded pursuant to Section 149(2A) of the Companies Act, 1956 to the Company to commence all or any of the businesses specified in clause 1 of the main object of the Company's Memorandum of Association as altered, as and when decided by the Board of Directors."

By Order of the Board of Directors

Suresh Kumar Choudhary
Chairman

Mumbai, July 26, 2007

Registered Office
201-204, Vikas Chambers,
Junction of Link & Marve Road,
Malad (West), Mumbai 400064.

Notes:

- a. The explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under items 6 to 16 is annexed herewith.
- b. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY/PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

- c. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
- d. (1) The Company has already notified closure of register of members and transfer books from Wednesday, 19th September, 2007 to Friday, 21st September, 2007 (both days inclusive) for determining the names of members eligible for final dividend on equity shares, if declared at the meeting.
(2) The dividend, if declared, on equity shares at the meeting, will be paid on or after 22nd September, 2007 in respect of shares held in Physical form to those members who are entitled to the same and whose names appear in the Company's Register of Members after giving effect to all valid share transfers lodged with the Company / Registrar and Share Transfer Agents at the end of business hours on Tuesday, 18th September, 2007 and in respect of shares held in the Electronic form to those members whose names appear in the statement of beneficiary ownership furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)
- e. Members holding shares in Physical form are requested to notify change of address, if any, to Registrar and Share Transfer Agents before 18th September, 2007 and those who hold shares in dematerialized form are requested to notify to their Depository participants their change in address.
- f. Members who hold shares in physical form in multiple folios in identical name or joint accounts in the same order of names are requested to send the share certificates to the Company's registrar and share transfer agents M/s. System Support Services for consolidation into a single folio.
- g. The Members are advised that SEBI has made trading of equity shares of the Company compulsory in dematerialization form with effect from 2nd January, 2002 and in compliance whereof, your Company is having connectivity with the depositories for trading of shares in dematerialized form. The members who hold the equity shares in physical form are requested to get their shares converted in dematerialized form.
- h. As per the provisions of The Companies Act, 1956 facility for making nomination is available to the shareholders in respect of the Shares held by them. Nomination Forms can be obtained from the registrar and share transfer agents of the Company.
- i. Members, who hold equity shares in dematerialized form, are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
- j. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their respective copy of the Annual Report to the Meeting and affix their signature at the place provided on the attendance slip annexed to the Proxy form and hand over the slip at the entrance to the place of the Meeting.
- k. Consequent upon amendment to Section 205A (5) and 205C of The Companies Act, 1956, the amount of dividend which remains



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unpaid or unclaimed for a period of 7 years from the date of such transfer shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) set up by the Government of India. **The Company, in accordance therewith has transferred all unclaimed / unpaid dividend in respect of financial years ended upto 31st March 1997 to IEPF.**

Members who have not encashed their dividend warrants for the financial year ended 31st March, 2004, 31st March, 2005, 31st March, 2006 and Interim Dividend declared on 23rd March, 2007 respectively are requested to make their claims to the Company's registrar and share transfer agents M/s. System Support Services immediately. It may be noted that unclaimed dividend amount declared at the Annual General Meeting held on 12th August, 2004, 5th September, 2005, 28th September, 2006 and Interim Dividend declared by the Board of Directors on 23rd March, 2007 shall be transferred to "Investor Education and Protection Fund" on expiry of 7 years from the dates of declaration. **It may further be noted that once the unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof with the Company.**

- l. Non-Resident Indian Members are requested to inform the Company's registrar and share transfer agents M/s. System Support Services immediately of -
 - a. The change in the residential status on return to India for permanent settlement.
 - b. The particulars of the bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- m. Members who hold shares in dematerialized form may kindly note that their bank account details, as furnished by their depositories to the Company, will be printed on their dividend warrant as per the applicable regulations of the depositories and the Company will not entertain any direct request from such members for deletion of or change in such bank account details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to the shares held in electronic form. Members who wish to change such bank account details are therefore requested to advise their depository participants about such change with complete details of bank accounts.
- n. Relevant documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of the meeting.

Explanatory Statement pursuant to Section 173(2) of The Companies Act, 1956

Item No.6

The Board of Directors of the Company has appointed pursuant to the provisions of Section 260 of The Companies Act, 1956 (The Act), Mr. V.K. Pandit as an Additional Director of the Company with effect from 26th April, 2007.

In terms of the provisions of Section 260 of The Companies Act, 1956 Mr. V.K. Pandit would hold office up to the date of this Annual General Meeting.

The Company has received a notice in writing from a member proposing the candidature of Mr. V.K. Pandit for the office of Director of the Company under the provisions of Section 257 of the Act.

Mr. V.K. Pandit has, to his credit, experience of more than 45 years in the Power sector and related activities. Keeping in view his enriched expertise and knowledge, it would be in the interest of the Company that Mr. V.K. Pandit is appointed as a Director, who, if appointed, shall be liable to retire by rotation in accordance with the provisions of the Articles of Association of the Company.

A brief resume of Mr. V.K. Pandit, nature of his expertise in specific functional areas are provided in Report of Corporate Governance forming part of the Annual Report.

The Board commends the resolution set out at Item No. 6 of the Notice for your approval.

Save and except Mr. V.K. Pandit, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

Item No.7

The Board of Directors of the Company has appointed pursuant to the provisions of Section 260 of The Companies Act, 1956 (The Act), Mr. Jayant Godbole as an Additional Director of the Company with effect from 26th July, 2007.

In terms of the provisions of Section 260 of The Companies Act, 1956 Mr. Jayant Godbole would hold office up to the date of this Annual General Meeting.

The Company has received a notice in writing from a member proposing the candidature of Mr. Jayant Godbole for the office of Director of the Company under the provisions of Section 257 of the Act.

Mr. Jayant Godbole has, to his credit, experience of more than 40 years in the Banking & Finance activities. Keeping in view his enriched expertise and knowledge, it would be in the interest of the Company that Mr. Jayant Godbole is appointed as a Director, who, if appointed, shall be liable to retire by rotation in accordance with the provisions of the Articles of Association of the Company.

A brief resume of Mr. Jayant Godbole, nature of his expertise in specific functional areas are provided in Report of Corporate Governance forming part of the Annual Report.

The Board commends the resolution set out at Item No. 7 of the Notice for your approval.

Save and except Mr. Jayant Godbole, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

Item No.8

The Board of Directors of the Company has appointed pursuant to the provisions of Section 260 of The Companies Act, 1956 (The Act), Mr. Ashok Bansal as an Additional Director, designated as Whole Time Director, of the Company with effect from 26th July, 2007.



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In terms of the provisions of Section 260 of The Companies Act, 1956 Mr. Ashok Bansal would hold office up to the date of this Annual General Meeting.

The Company has received a notice in writing from a member proposing the candidature of Mr. Ashok Bansal for the office of Director of the Company under the provisions of Section 257 of the Act.

Mr. Ashok Bansal has, to his credit, experience of more than 20 years in the Accounts & Finance activities. Keeping in view his enriched expertise and knowledge, it would be in the interest of the Company that Mr. Ashok Bansal is appointed as a Whole Time Director, who, if appointed, shall be liable to retire by rotation in accordance with the provisions of the Articles of Association of the Company.

A brief resume of Mr. Ashok Bansal, nature of his expertise in specific functional areas are provided in Report of Corporate Governance forming part of the Annual Report. The draft agreement between the company and Whole Time Director contains the following terms and conditions:

The proposed remuneration payable to Mr. Ashok Bansal w.e.f. 26th July, 2007 is as per annexure 'A' forming part of this explanatory statement.

The extracts of remuneration given above shall be deemed to be the extract of remuneration required to be furnished under section 302 of The Companies Act, 1956.

The Board commends the resolution set out at Item No. 8 of the Notice for your approval.

Save and except Mr. Ashok Bansal, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

Item Nos. 9, 10 & 11

The Company is growing multi-fold with expansions in similar segment as elaborated in Management Discussion & Analysis Report forming part of this Annual Report. To accommodate the same, the Company needs to increase its authorized share capital. The proposed increase in authorized share capital of the Company and consequential amendments of the Memorandum of Association and Articles of Association of the Company in terms of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 require the approval of Members in the General Meeting.

The Board commends the resolution as set out at Item Nos. 9, 10 & 11 of the Notice for your approval.

None of the Directors is interested or concerned in this resolution.

Item Nos. 12 & 13

The investment required for the proposed multi-fold expansion programme/s, acquisitions (global and domestic) and also to part finance the working capital requirements, the Company would require resource mobilization in phased manner. The capital expenditure and other requirements are proposed to be partially financed for through internal accruals and commercial borrowings. Therefore, it is proposed to authorize the

Board of Directors of the company to borrow monies, which may exceed at any time, the aggregate of the paid up capital of the company and its free reserves by a sum not exceeding Rs.500 crore

(in rupees and / or equivalent foreign currency), in addition to the company's paid up capital and free reserves.

The Board commends the resolution as set out at Item Nos. 12 & 13 of the Notice for your approval.

None of the Directors of the Company are in anyway, concerned or interested in the resolution.

Item No. 14

The shareholders at the annual general meeting of the company held on 28th September, 2006 had approved appointment of Mr. Suresh Kumar Choudhary as the Chairman of the company at remuneration of Rs.40000/- per month. The Board of Directors now seeks to revise the terms of agreement of the said appointment

Mr. Suresh Kumar Choudhary has, to his credit, an experience of more than 26 years in the field of manufacturing of electrical lamination, distribution and power transformers. A brief resume of Mr. Suresh Kumar Choudhary, nature of his expertise in specific functional areas are provided in Report of Corporate Governance forming part of the Annual Report. Keeping in view his enriched expertise and knowledge, the Board commends the revision in remuneration and perquisites with effect from 1st October, 2007. The revised draft agreement between the company and Mr. Suresh Kumar Choudhary contains the following terms and conditions:

The proposed remuneration payable to Mr. Suresh Kumar Choudhary w.e.f. 1st October, 2007 is as per annexure 'A' forming part of this explanatory statement.

The extracts of remuneration given above shall be deemed to be the extract of remuneration required to be furnished under section 302 of The Companies Act, 1956.

The Board commends the resolution set out at Item No.14 of the Notice for your approval.

Save and except Mr. Suresh Kumar Choudhary, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

Item No.15

The shareholders at the annual general meeting of the company held on 28th September 2006 had approved re-appointment of Mr. Naresh Kumar Choudhary as the Managing Director of the company at remuneration of Rs.40,000/- per month. The Board of Directors now seeks to revise the terms of agreement of the said appointment

Mr. Naresh Kumar Choudhary has, to his credit, an experience of more than 23 years in the field of manufacturing of electrical lamination, distribution and power transformers. A brief resume of Mr. Naresh Kumar Choudhary, nature of his expertise in specific functional areas are provided in Report of Corporate Governance forming part of the Annual Report. Keeping in view his enriched expertise and knowledge, the Board commends the revision in remuneration and perquisites with effect from 1st October, 2007. The revised draft agreement between the company and Mr. Naresh Kumar Choudhary contains the following terms and conditions:

The proposed remuneration payable to Mr. Naresh Kumar Choudhary w.e.f. 1st October, 2007 is as per annexure 'A' forming part of this explanatory statement.



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The extracts of remuneration given above shall be deemed to be the extract of remuneration required to be furnished under section 302 of The Companies Act, 1956.

The Board commends the resolution set out at **Item No. 15** of the Notice for your approval.

Save and except Mr. Naresh Kumar Choudhary, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

Item No. 16

The tenure of the agreement executed between the company and the Whole time Director, Mr. Rajendra Kumar Choudhary, expires on 30th September, 2007. Mr. Rajendra Kumar Choudhary has, to his credit, an experience of more than 21 years in the field of manufacturing of electrical lamination, distribution & power transformers, Motor Stampings and Banking & Finance. Keeping in view his enriched expertise and knowledge, the Board of Directors commends his re-appointment as the Whole Time Director of the company for a period of 5 years w.e.f. 1st October, 2007. A brief resume of Mr. Rajendra Kumar Choudhary, nature of his expertise in specific functional areas are provided in Report of Corporate Governance forming part of the Annual Report.

The draft agreement between the company and Mr. Rajendra Kumar Choudhary contains the following terms and conditions:

The proposed remuneration payable to Mr. Rajendra Kumar Choudhary is as per annexure 'A' forming part of this explanatory statement.

The extracts of remuneration given above shall be deemed to be the extract of remuneration required to be furnished under section 302 of The Companies Act, 1956.

Your Directors recommend resolution at **Item No - 16** for your approval.

Save and except Mr. Rajendra Kumar Choudhary being the recipient of remuneration, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

Item Nos. 17 & 18

In order to broad base the activities and looking at the good opportunities and potential in power sector, the company proposes to expand its business by substituting the first clause in the main objects in the Memorandum of Association of the Company. The Company has all the required facilities to carry out the said activities, economically and efficiently and is confident that intended activities could be conveniently and advantageously carried out coupled with existing activities of the company.

The commencement of new business activities by the company will be subject to the proposed insertion of the new clause to the main objects in Memorandum of Association of the Company. Section 149 (2A) of the Companies Act, 1956 requires the approval of the Share Holders through Postal Ballot before the company commences any new business.

The Directors recommend the adoption of the Resolutions in the interest of the Company. None of the directors are interested in the above resolution.

ANNEXURE 'A'

Salary - Rs.2,00,000/- per month

PERQUISITES AND ALLOWANCES:

CATEGORY A

Housing:

Whole Time Director shall be entitled to house rent allowance of Rs. 5000 per month, which will be suitably increased by the Board of Directors, if required.

Medical Reimbursement / Medical Insurance

Reimbursement of all medical expenses for self and family subject to the maximum of one month's salary per annum. Medical insurance premium shall be paid by the Company

Personal Accident Insurance

Personal accident insurance as per the policy of the Company

Entertainment Expenses

Reimbursement of entertainment expenses on actual basis incurred during the course of the business.

Club Fees

Fees of clubs exclusive of admission and life membership fee subject to a maximum of two clubs

CATEGORY B

The contribution to superannuation fund or annuity fund, if any, and if introduced by the Company will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

CATEGORY C

Car with the chauffeur for official use, telephones, Internet and fax facility at residence. These will not be considered as perquisites.

The terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors as it may in its discretion deem fit, within the maximum amounts payable to Whole Time Director in accordance with Schedule XIII to the Act, or any amendments made hereafter in this regard.

By order of the Board

Suresh Kumar Choudhary
Chairman

Mumbai, July 26, 2007

Registered Office -
201-204, Vikas Chambers,
Junction of Link & Marve Road,
Malad (West), Mumbai - 400 064



Bilpower Limited

Regd. Office : Vikas Chambers, 2nd floor, Junction of Link & Marve Road, Malad (W), Mumbai - 400 064.

Attendance Slip

(Joint shareholders may obtain additional attendance slip on request)

Full name of the _____

Member attending : _____

Name of proxy : _____

(To be filled in if Proxy Form has been duly deposited with the company)

I hereby record presence at the 18th Annual General Meeting of the Company held at Goregaon Sports Club, Link Road, Malad (W), Mumbai - 64 on 22nd September, 2007

Registered Folio No./Client ID : _____

No. of shares held : _____

Notes : This attendance slip duly filled in may please be handed over at the entrance of the Meeting Place

Bilpower Limited

Regd. Office : Vikas Chambers, 2nd floor, Junction of Link & Marve Road, Malad (W), Mumbai - 400 064.

Proxy Form

I/We _____ of

_____ in the district _____ of

Being a member / member of the above named Company hereby appoint _____ of

_____ in the district of _____ or

Failing him/her _____ as my/our behalf at the 18th Annual General Meeting of Company to be held on 22nd September, 2007 and at any adjournment thereof.

Signed this _____ day of _____ 2007

Registered Folio No./Client ID : _____

No. of Shares held : _____

Affix Re.1
Revenue
Stamp

Signature of the Member / Proxy

Notes : The Proxy Form must be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the meeting. The proxy need not be a member of the Company.