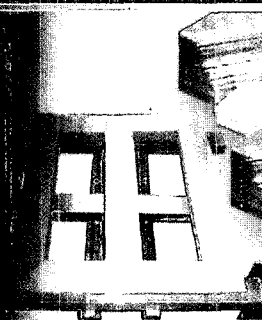
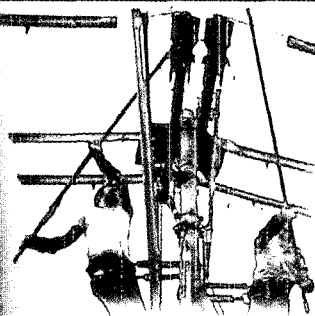


Annual Report 2007-08

POWER BEHIND POWER



BILPOWER LIMITED

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POWER BEHIND POWER

Board of Directors

Mr. Suresh Kumar Choudhary
 Mr. Naresh Kumar Choudhary
 Mr. Rajendra Kumar Choudhary
 Mr. Ashok Bansal
 Mr. V. K. Pandit
 Mr. Vinod Kumar Agrawal
 Mr. N. K. Jain

Chief Executive Officer : Mr. Ashish M Bhagra

Company Secretary & Compliance Officer : Mr. Bhuwnesh Bansal

Registered Office : Vikas Chambers, 2nd Floor, Junction of Link & Marve Road,
 Malad (West), Mumbai - 400 064.
 Tel.: (91 22) 4089 7777 Fax: (91 22) 2881 1225
 Email: investors@bilpower.com

Branch Offices / Units

Baroda Office : 19, R. C. Patel Industrial Estate, Akota, Baroda - 390 020 (Gujarat)
 Phone: (0265) 2344 773 / 2310 437 Fax: (0265) 2339 629

Baroda Unit : 440- 441- 446, G.I.D.C. Industrial Estate,
 POR, Ramangamdi, Baroda - 391 243
 Phone: (0265) 2830 824 Telefax: (0265) 2830 929

Export Unit : 447, G.I.D.C. Industrial Estate,
 POR, Ramangamdi, Baroda - 391 243

Karad Unit : Unit No - 2 - 5, Survey No. 2 / 2 / 2, Madhuban Dam Road,
 Village - Karad, Silvassa, D & NH
 Phone: (0260) 3254970

Uttaranchal Unit : Unit D -10 / 11, Raipur Notified area,
 Bhagwanpur, Roorkee, Dist - Haridwar, State - Uttaranchal

Wada Unit : Village - Kanchad, Taluka - Wada, Dist - Thane
 Phone: (02526) 271154 / 698984

Statutory Auditors : **M/s Bansal, Bansal & Co.,**
 Chartered Accountants
 6 / 152, Sanjay Building, Mittal Estate, Andheri Kurla Road,
 Andheri (East), Mumbai - 400 059

Registrars & Share Transfer Agents : **M/s. System Support Services**
 For Physical & Electronic Shares
 209, Shivai Industrial Estate, Next to Parke Davis, Saki Naka,
 Andheri Kurla Road, Mumbai - 400 072
 Phone: (91 22) 2850 0835 (5 Lines)
 Email : sysss72@yahoo.com

Bankers : **State Bank of India**
 Industrial Finance Branch
 S.V. Road, Malad (West), Mumbai - 400 064

IndusInd Bank Limited
 Acme Plaza, C.T.S. No - 32, Opp. Sangam Talkies,
 Andheri Kurla Road, Andheri (East), Mumbai - 400 059

Last Five Years Financial Results at a Glance

(Rs. in lacs)

Sr. No.	Particulars	2007-08	2006-07	2005-06	2004-05	2003-04
A. SALES & EARNING						
1.	Sales	33256.03	24587.03	12593.96	5903.77	4167.89
2.	Profit before Tax	2994.69	2367.38	1178.30	465.61	180.22
3.	Profit after Tax	2271.47	1727.86	1067.97	415.05	169.59
B. ASSETS & LIABILITIES						
4.	Gross Block (Incl. WIP)	3623.57	1056.26	534.14	412.93	405.68
5.	Net Fixed Assets	3463.00	942.65	442.81	337.45	336.62
6.	Net Current Assets	15730.09	10318.00	5623.19	2296.37	1427.50
7.	Investments	1441.94	1412.01	571.00	51.00	1.10
8.	Misc. Expenditure	4.77	2.63	-	-	0.89
9.	Total Assets	20639.80	12675.29	6637.00	2684.82	1766.11
C. REPRESENTED BY						
10.	Share Capital	1050.08	900.08	600.08	500.08	500.08
11.	Warrants (Equity Share Entitlement)	700.00	-	291.00	-	-
12.	Reserve & Surplus	9496.99	7084.07	2900.29	1064.95	706.92
13.	Loan Fund	9230.21	4630.13	2797.06	1074.11	525.40
14.	Deferred Tax	162.52	61.01	48.57	45.68	33.71
15.	Total Funds	20639.80	12675.29	6637.00	2684.82	1766.11
D. OTHERS						
16.	Dividend per share (Rs.)	1.80	1.50	1.50	1.00	0.50
17.	Market Capitalisation (BSE)	17515.33	13739.72	6867.92	2102.83	365.06



POWER BEHIND POWER

Notice

NOTICE is hereby given that the 19th Annual General Meeting of the Members of **BILPOWER Limited** will be held at **Goregaon Sports Club, Link Road, Malad (West), Mumbai - 400 064** on Thursday 31st July, 2008 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 2008, 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 Dividend on 1,05,00,800 equity shares for the year ended 31st March, 2008.
3. To appoint a Director in place of Mr. Suresh Kumar Choudhary, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rajendra Kumar Choudhary, 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:-

“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. N.K. Jain, who was appointed as an Additional Director pursuant to the provisions in Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company liable to retirement by rotation under the provisions of the Articles of Association of the Company.”

By Order of the Board of Directors,

Bhuwnesh Bansal
Company Secretary

Mumbai, June 17, 2008

NOTES:

- a. The explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under items no. 6 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 28th July, 2008 to 30th July 2008 (both days inclusive) for determining the names of members eligible for 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 31st July, 2008 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 26th July, 2008 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 26th July, 2008 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. 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.
- l. 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.

- m. 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. N.K. Jain as an Additional Director of the Company with effect from 17th June, 2008.

In terms of the provisions of Section 260 of the Companies Act, 1956 Mr. N.K. Jain 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. N.K. Jain for the office of Director of the Company under the provisions of Section 257 of the Act.

Mr. N.K. Jain is a Chartered Accountant and Company Secretary by qualification. He has 25 years of experience in the field of accounts, taxation and finance.

A brief resume of Mr. N.K. Jain, and 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. N.K. Jain, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

By Order of the Board of Directors,

Bhuvnesh Bansal
Company Secretary

Mumbai, June 17, 2008



Directors' Report

Dear Members,

Your Directors are pleased to present the 19th Annual Report on the business and operations of the Company and statement of audited accounts for the financial year ended 31st March 2008.

FINANCIAL RESULTS:-

The performance of the Company for the Financial Year ended 31st March, 2008 is summarized below.

	(Rs. In Lacs)	
Particulars	2007-2008	2006-2007
Gross Turnover & Other Income	33278.00	24593.53
Profit before Interest, Depreciation & Taxation	3569.69	2613.06
Interest	527.73	219.40
Profit before Depreciation & Taxation	3041.96	2393.66
Depreciation	47.27	26.27
Less- Provision for Taxation (Including Deferred Tax)	723.22	639.53
Net Profit for the year	2271.47	1727.86
Add - Surplus brought forward From previous Year	3454.08	1970.29
Profit available for Appropriations	5725.55	3698.15
Appropriations		
Transfer to General Reserve	300.00	90.00
Dividend (Interim & Final)	189.01	135.01
Dividend Tax	26.10	19.06
Balance Carried to Balance Sheet	5210.44	3454.08

DIVIDEND:-

Your Directors are pleased to recommend for the approval of the shareholders, a dividend of 18% (Re.1.80 per equity share) on 1,05,00,800 equity shares of Rs.10/- each for the financial year ended on 31st March, 2008.

DIRECTORS:-

Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. N.K. Jain (w.e.f. 17th June, 2008) was appointed as an Additional Director of the Company and would hold Office up to the date of ensuing Annual General Meeting.

Mr. Suresh Kumar Choudhary & Mr. Rajendra Kumar Choudhary, Directors, retire by rotation and being eligible offer themselves for re-appointment at the ensuing Annual General Meeting.

The Company has received notices in writing from members proposing the candidature of above directors for the Office of Directors liable to retire by rotation.

Brief resumes of the above Directors, nature of their expertise in specific functional areas and names of the Public Limited Companies in which they hold Directorships and Memberships / Chairmanships of Committees of the Board and their shareholding in the Company, as stipulated under Clause 49 of the Listing Agreement are given in the Report on Corporate Governance forming part of the Annual Report.

Mr. Anil Raika and Mr. Jayant Godbole have tendered their resignation w.e.f 17th June, 2008. Your Directors wish to place on records their sincere appreciation for the invaluable services rendered by them.

SUBSIDIARY COMPANY:-

A statement regarding Subsidiary Company Tarapur Transformers Limited, pursuant to Section 212 of the Companies Act, 1956 is attached to the Balance Sheet of the Company. The Audited statements of account and the Auditors' Reports thereon for the year ended 31st March 2008 alongwith the report of the Board of Directors of the Subsidiary are also attached.

AMALGAMATION OF SUN TRANSTAMP PRIVATE LIMITED WITH BILPOWER LIMITED:-

During the year under review, the Hon'ble High Court Mumbai, Maharashtra sanctioned and approved the Scheme of Amalgamation filed under Sections 391- 394 of the Companies Act, 1956 vide its order dated 18th January 2008 (certified copy received on 05.02.2008) of Sun Transtamp Private Limited with the Company.

Accordingly, the paid up Equity Capital of the Company has increased by 15,00,000 equity shares of Rs.10/- each allotted to shareholders of Sun Transtamp Private Limited as per Scheme of amalgamation approved by Hon'ble High Court Mumbai, Maharashtra. The total issued and Paid-up capital of the Company now is 1,05,00,800 equity Shares of Rs. 10/- each and the said Paid-up capital is listed on Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).

DIRECTORS' RESPONSIBILITY STATEMENT:-

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, it is hereby confirmed that -

- A. In the preparation of the Annual Accounts, applicable accounting standards have been followed and that there are no material departures from the same.
- B. The Directors have selected such accounting policies and applied them consistently and made judgments & estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2008 and of the Profit of the Company for the accounting year ended on that date.
- C. The Directors have taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities; and,
- D. The Directors have prepared the annual accounts of the Company on a "going concern basis".

The above statements have been noted by Audit committee in its meeting held on 17th June, 2008.

FUND RAISING:-

Although the In-Principle approvals were obtained from BSE, NSE and other statutes, considering the guidelines issued by the Reserve Bank of India in the month of August 2007, the company has decided to drop its proposed Issue of Foreign Currency Convertible Bonds (FCCB) for USD 15 Million.

As a step towards meeting its funding requirements, the Company has allotted 20,00,000 warrants convertible into equivalent number of equity shares of the Company having a face value of Rs. 10/- each at a price of Rs. 350/- (including premium of Rs. 340/-) per share on preferential basis to the Promoter & Others in accordance with Chapter XIII of the SEBI (Disclosure and Investor Protection) Guidelines, 2000.

AUDITORS:-

The present Auditors of the Company, M/s. Bansal, Bansal & Co, Chartered Accountants, Mumbai, retire as Statutory Auditors at the conclusion of this Annual General Meeting. They are eligible for re-appointment and the Company has received a Certificate from them that their re-appointment, if made, would be within the limits under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for such an appointment within the meaning of sub-sections (3) and (4) of Section 226 of the Companies Act, 1956. Their reappointment is recommended by the board. Additionally, it is also declared that one of the partners of the above firm is a relative of Mr. Ashok Bansal, Director.

AUDITORS' REPORT:-

The notes on accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments under section 217(3) of the Companies Act, 1956.

TAX PROVISIONS:-

The Company has made adequate provisions as required under the provisions of Income Tax Act, 1961 and Wealth Tax Act, 1957

FIXED DEPOSITS:-

During the year ended on 31st March 2008, the Company has not accepted any Fixed Deposits from public under Section 58A & 58AA of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975.

CORPORATE GOVERNANCE:-

The Securities and Exchange Board of India (SEBI) has prescribed corporate governance standards vide Clause 49 of the Listing Agreement. Your Directors reaffirm their commitment to these standards and this Annual Report carries a section on corporate governance together with Auditors' Certificate on its compliances.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:-

The Management Discussion and Analysis on the operations of the company is provided in a separate section and forms part of this report.

ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION:-

In view of the nature of business of the Company which is labour intensive, the information required under Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in Report of the Board of Directors) Rules, 1988 with respect to conservation of Energy, Technology absorption is not given as electricity purchased and consumption per unit of production is negligible.

FOREIGN EXCHANGE EARNINGS AND OUTGO:-

Members are requested to refer to note no B- 2 of Schedule - M forming part of the Balance Sheet and Profit & Loss account for the year ended 31st March 2008.

**PARTICULARS OF EMPLOYEES:-**

Statement pursuant to Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975.

Sr. No	Name	Age (Years)	Designation	Remuneration (Rs.)	Qualification	Experience (In Years)	Date of Commencement of Employment	Last Employment held
1	Mr. Suresh Kumar Choudhary	51	Chairman	14,40,000	B.Com	27	15.03.2006	N.A
2	Mr. Naresh Kumar Choudhary	49	Managing Director	14,40,000	B.Com	24	05.10.1989	N.A
3	Mr. Rajendra Kumar Choudhary	48	Whole Time Director	14,40,000	B.Com	22	05.10.1989	N.A
4	Mr. Ashok Bansal	43	Whole Time Director	16,38,710	F.C.A	21	26.07.2007	Practicing Chartered Accountant
5	Mr. Ashish Bhagra	40	CEO	26,45,408	MBA	17	01.05.2006	Thyssenkrupp Electrical Steel India Pvt. Ltd. (Head of Sales)

Notes: Remuneration comprises salary, allowances, monetary value of perquisites, and the Company's contribution to Provident but excludes provision for gratuity.

ACKNOWLEDGEMENT:-

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

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

On behalf of the Board of Directors,

Suresh Kumar Choudhary
Chairman

Mumbai, June 17, 2008

Management Discussion & Analysis Report

Annexure I to the Directors' Report

FORWARD LOOKING STATEMENTS

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the company describing the company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities' laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors. The financial statements are prepared under 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.

The management of Bilpower Limited accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. These estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the state of affairs and profits for the year.

INDIAN POWER SCENARIO

The growth of the economy calls for matching rate of growth in infrastructure facilities. The Indian Power Sector is a core component of the Indian infrastructure and its expansion is essential for the success of economic liberalization of India. India, which inherited a little more than 1,300 MW at the time of its independence in 1947, today has an installed generating capacity of around 1,14,000 MW. The growth rate of demand for power in developing countries is generally higher than that of their GDP. In India, the ratio of demand growth to GDP growth was 3.06 in the first Plan and peaked at 5.11 during third plan and came down to 1.65 in the eighties. At present, a ratio of around 1.8 is projected. Therefore, in order to support a rate of growth of GDP of around 7% per annum, the rate of growth of power supply needs to be over 10% annually. This is evident from ever increasing power demand of the country's vibrant economy leading to a widening gap between the supply and demand. The Government of India has an ambitious mission of '**POWER FOR ALL BY 2012**'. This mission would require that our installed generation capacity should be at least 2,00,000 MW by 2012 from the present level of 1,14,000 MW.

Bilpower Ltd., continued to deliver its best ever performance during the year under review. Increased realization, product

mix enrichment and improved operational efficiencies resulted in both revenues and profits surpassing their previous levels.

We, at Bilpower, look upon the Electrical Lamination business as a core business that has enormous growth potential in revenues and earnings. Our vision is to become a "Leading Power Engineering Solutions Company" manufacturing superior quality products for electricity sector and by offering reliable, economical and innovative solutions in generation, transmission and distribution areas.

Consolidation of business leads to enhanced synergies, as Bilpower became an integral player across the value chain. The power industry has geared up to provide phenomenal opportunities on account of ongoing power capacity additions and government thrust on power for all by 2012, which facilitates your company to immensely benefit in the years to come.

An ISO Certified Company, Bilpower, has also co-sponsored a high profile technical conference "India Rising - Challenges of Building World Class Power Sector" organized by "Power India - 2007". In an exclusive research conducted by The Economic Times, your company has been rated as 26th fastest growing small company out of the top 100 fastest growing small companies in India.

PERFORMANCE REVIEW

You will be happy to learn that during the year, your company has made a significant improvement in its financial and operational performance. The salient features of the company performance are:-

- Total Sales of Rs 332.56 crore, against Rs 245.87 crore in the previous financial year, an increase of 35.26 per cent.
- Net profit of Rs 22.71 crore, against Rs 17.28 crore in the previous financial year, an increase of 31.42 per cent.
- Earning Per Share (EPS) for the year is Rs. 21.63 against Rs. 25.42 in the corresponding previous financial year.

With a net worth of about Rs 112.47 crore as on March 31, 2008, Bilpower Ltd., counts among the top Indian Electrical Lamination manufacturing companies. Your company remains free from long-term debt at the net level, and enjoys the ratings of 'A-/Stable' and 'P2' assigned by CRISIL - a resounding re-affirmation of our unwavering and long-standing commitment to financial prudence and conservatism.

BACKGROUND

Power is a significant input to the economy and plays a critical role for a sustained economic growth. The power sector being highly capital intensive in nature requires regular streams of huge investments to ensure quality and economic power on a