


annual report 2008

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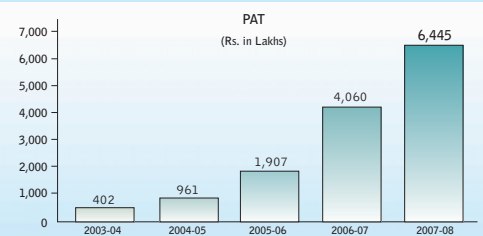
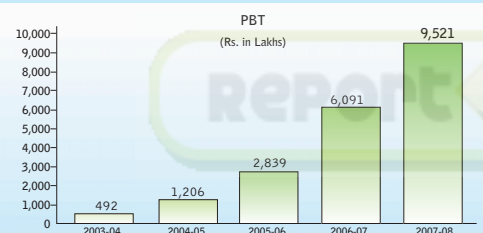
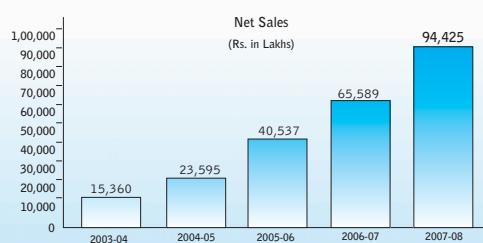
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Financial Highlights



	Rupees in Lakhs				
	2007-08	2006-07	2005-06	2004-05	2003-04
Revenue Account					
Net Sales	94,425.33	65,588.56	40,537.01	23,594.90	15,359.64
EBIDTA	12,902.22	8,670.09	4,579.89	3,085.98	2,220.36
Profit Before Tax (PBT)	9,521.06	6,091.27	2,839.39	1,205.76	492.13
Taxation	3,076.44	2,031.60	932.29	245.16	89.68
Profit After Tax (PAT)	6,444.62	4,059.67	1,907.10	960.60	402.45
Capital Account					
Share Capital	1,176.74	1,020.94	763.94	611.29	580.74
Share Warrants	1,955.00	217.50	85.50	25.65	-
Reserves & Surplus	36,477.85	28,684.74	12,569.64	6,686.27	6,350.02
Shareholders' Fund	39,609.59	29,923.18	13,419.08	7,323.21	6,930.76
Borrowings	30,836.07	18,527.70	10,627.97	11,685.55	8,092.82
Financial Ratios:					
PBT to Sales (%)	10.08%	9.29%	7.00%	5.11%	3.20%
PAT to Sales (%)	6.83%	6.19%	4.70%	4.07%	2.62%
PAT (4 year CAGR)	100.04%	98.62%	92.93%	54.00%	25.95%
Book value (Rs.) *	67.32	58.62	35.13	23.96	23.87
Debt Equity Ratio	0.78	0.62	0.79	1.60	1.17
EPS (Rs.) -Basic *	11.14	9.18	5.32	3.30	1.45
Dividend %	70%	50%	30%	20%	10%

* From 25th March 2008 face value per share has been sub-divided into Rupees 2 per share from Rupees 10 per share and accordingly figures are re-instated for all the years.



Dear Shareholder,

The past year has been a period of significant events at EMCO. We invested in a coal mine in Indonesia and announced a joint venture in South Africa for the manufacture of transformers. Together with this, and while staying focused on the Power Sector, we have acquired a Transmission Towers Manufacturing & Execution company and thus have become an end-to-end solutions provider in the Transmission & Distribution Sector. As a part of our Corporate Social Responsibility (CSR) Mission, we have also launched the EMCO Foundation in an effort to transform lives through sustainable development.

In all, we have crossed exciting milestones but put in the context of the emerging global scenario these decisions have a greater significance. Coal is one of the critical natural resources for power generation in many countries and therefore, our strategy to invest in the coal mine will hopefully pay rich dividends in the near future. Secondly, today Africa is increasingly seen as a continent with a huge, untapped potential and we believe that establishing our presence in the African market will definitely make our business grow significantly and help us create more value for our shareholders. Also, the acquisition of the Transmission line business falls perfectly in line with our strategic objective of being an end-to-end solutions provider in the T & D segment.

The per capita consumption currently stands at 606 kilowatt per hour (kwh), far below the world average of 2,429 kwh. "At an 8% GDP growth, the per capita consumption of India in 2032 is estimated to be 2,643 kwh, which is just comparable to the present-day world average." Therefore, it is evident to conclude that in the interests of the burgeoning economy, the opportunities and possibilities in the power sector are unending, and what we have achieved so far is merely the beginning of what looks to me a very exciting and challenging journey.

Beyond business and as a part of our CSR Initiative, 1% of our net profit is committed to the EMCO Foundation to work in the areas of Education, Healthcare and Environment.

Our ground rules remain the same. We are keyed to be world-class, and focused than ever before to raise the bar to new levels and keep stretching our abilities. Our value system that concentrates on creating excellent working and business environment will continue to be our backbone. EMCO will continue to lend itself to the country's economic growth as well as to its customers.

Finally, let me express my personal gratitude for the confidence that you have always shown in the company. I sincerely hope that you will continue to be our strength so that together we can realize a growth path that will take us towards newer horizons and make us inspiring leaders and pioneers in our chosen areas of expertise.

Rajesh S. Jain
Chairman & Managing Director

Board of Directors

Rajesh S. Jain
• B.E. (Electronics)
Chairman & Managing Director
Entrepreneur & Youngest Past President of IEEMA

Shailesh S. Jain
• B.E. (Chemical)
Managing Director
Entrepreneur

R.S. Shah
• B.Sc (Electrical Engineering)
Director – Technical
Transformer Technology Expert Past President of ERDA

S.V. Deo
• B.E. (Electrical), DBM, MIE
Independent Director,
Past Technical Member – MSEB

K. N. Shenoy
• B.E. (Electrical), PGDBA
Independent Director,
Past President of CII, IEEMA & ERDA, Past Chairman ABB, India

T.N.V. Ayyar
• FCA
Independent Director

Bhenu Choudhary
• B.Com, LL.M
Independent Director
Solicitor, Partner of IC Legal

Chief Financial Officer
Sunil Rustagi
• FCA, AICWA, ACS, CPA (USA)

Company Secretary
William Fernandes

Auditors
P.Raj & Co.
Chartered Accountants

Bankers
Dena Bank
State Bank of India
Bank of India
State Bank of Hyderabad
ING Vysya Bank Limited
The Federal Bank Limited
Andhra Bank
Union Bank of India
Canara Bank

Solicitors
A.R.A. Law

Plant Locations :
Power Transformer Plant:
Plot No. F-5, Road No.28, Wagle Industrial Estate,
Thane - 400 604.
Tel.: +91 22 4040 4500. Fax: +91 22 2582 0571.

Industrial Transformer Plant:
N-104, MIDC Area, Jalgaon - 425 003. Maharashtra, India.
Tel.: +91 257 2272462 / 2272 572. Fax: +91 257 2272 598.

Distribution Transformer Plant:
Gat No. 114, Aurangabad Road,
Umala, Jalgaon, Maharashtra, India.
Tel: +91 257 5614395 / 96 / 3092594.
Fax : +91 257 22350505.

Tower Plants:
Plot No. 519-521, Village: Asoj, Vadodara - Halol Highway
Dist. Vadodara - 391510, Gujarat, India,
Tel: +91 2668 281029, 281030. Fax: +91 2668 281030.

Plot No. 06, Survey No.207, Village- Umarkuail
Silvasa (D&NH)
Tel: +91 260 6454186.

Meter Plants:
Plot No. F-5, Road No.28, Wagle Industrial Estate,
Thane - 400 604.
Tel.: +91 22 4040 4500. Fax: +91 22 2582 0571.

Survey No. 57/2, Sanjay Industrial Estate, Building No.3,
Gala No. 1 to 8, Waghdhara Road,
Dadra - 396 230, (Union Territory) Dadra & Nagar Haveli,
Phone : +91 260 2668177-78-80
Fax No.: +91 260 2668176

Head Office:
Plot No. F-5, Road No.28
Wagle Industrial Estate,
Thane - 400 604.
Tel.: +91 22 4040 4500.
Fax: +91 22 2582 0571.

Regd. Office
N-104, MIDC Area
Jalgaon - 425 003.
Maharashtra, India.
Tel : +91 257 2272462 / 2272 572.
Fax : +91 257 2272 598.

Registrar & Transfer Agent:

Intime Spectrum Registry Ltd.,
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078.

Our Vision

“To build a world class company through reliability and be a great place to work”

Our vision is to make our company the best in class in what we do, in the world. The products and services we offer should be comparable to the best in the world, our business processes and systems should set a benchmark for others. We should earn the respect of our competitors and be loved by our stakeholders.

Our company should be the most preferred company to work for, for any employee. Here he should feel like a owner, be able to live his dreams, fulfill all his professional goals and have fun while doing so.

Our Values

Customer Centric

Customer would be the reason for our existence and continuous growth. Every decision we take should add value to our customers. We will try to anticipate as well as meet his needs. We will deliver what we promise and we will not promise what we cannot deliver. Our endeavor shall be to create a rewarding experience, every time a customer interacts or transacts with us.



Reliability

We shall make sure that the products and services we offer and the commitment we make to our stakeholders are most reliable.

In all our actions and behaviours, we shall be perceived and seen as a reliable company.





Ownership

Every EMC0ite working on any business process should work like a owner of that process. The success and failure of that process should create joy and pain for him personally. He should consider himself responsible for the process and do it to the best of his ability and leave a stamp of personal quality on it.

Result Orientation

As we are in a highly competitive environment we shall be judged by results achieved and not be content by merely good intention and sincere efforts. We would achieve our results with utmost grit and determination against all odds. Meeting a target would be the minimum expectation, beating the target will always be our endeavor.

