



26th ANNUAL REPORT 2007-2008

Board Of Directors : Mr. Devang Master
Mr. Jilani Sheikh
Mr. R. S. Iyengar

Registered Office : 25/25A, 2nd Floor,
327, Nawab Building,
Dr. D. N. Road, Fort,
Mumbai-400 001.
Email : investors@empowerindia.in

Auditors : MRM & ASSOCIATES
(Chartered Accountants)

Compliance Officer : Ms. Jeethi Pillai

Bankers : Bank of India
Oriental Bank of Commerce
UCO Bank
Axis Bank

**Registrar &
Transfer Agent :** Sharex Dynamic India Pvt. Ltd.

EMPOWER INDUSTRIES INDIA LIMITED

NOTICE

NOTICE is hereby given to the Members of EMPOWER INDUSTRIES INDIA LIMITED that the Twenty-sixth Annual General Meeting of the Members of the Company will be held on **Tuesday, September 30, 2008 at 10.30 A.M. at 506, Midas Chambers, Near Fun Republic Multiplex, Off New Link Road, Andheri (West), Mumbai 400 053** to transact with or without modifications, the following items of business:

Ordinary Business:

1. To receive, consider, approve and adopt the Profit & Loss Account for the year ended March 31, 2008 and the Balance Sheet as of that date, together with the Reports of the Directors and Auditors thereon.
2. To declare dividend for the period under review.
3. To appoint a Director in place of Mr. Rajgopalan Iyengar, who retires by rotation, but being eligible, offers him for re-appointment.
4. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration

Special Business

5. To consider and, if thought fit, to pass the following resolution which will be proposed as Special Resolution:

"RESOLVED THAT subject to and in accordance with the provisions of Section 17 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Clause III A of the Memorandum of Association of the Company pertaining to the main objects to be pursued by the Company, be and is hereby altered by inserting the following new sub-clauses (3A), (3B) and (3C) after the existing sub-clause (3):

- 3A. To carry on in India and/or elsewhere in the world the business to generate, receive, produce, improve, buy, sell, resell, acquire, use, transmit, accumulate, employ, distribute, develop, handle, protect, supply and to act as agent, broker, representative, consultants, collaborator, or otherwise to deal in electric power in such place or places as may be permitted by appropriate authorities and establish power plants for generation of electricity through Hydroelectric energy, Geothermal energy, fossil fuel energy, Biomass energy, Solar energy, Wind energy, Fuel Cells energy, Ocean Thermal energy, Tidal energy and wave energy and other power plants based on any source of energy as may be developed or invented in future.

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- 3B. To construct, lay down, establish, promote, erect, build, install, commission, carry out and run all necessary power substations, work shops, repair shops, wires, cables, transmission lines, accumulators, street lights for the purpose of conservation, distribution and supply of electricity of participating industries, state electricity boards and other boards for industrial, commercial, domestic, public and other purposes and also to provide regular services for repairing and maintenance of all distribution and supply lines.
- 3C. To acquire concessions, facilities or licences from electricity boards, government, semi government or local authorities for generation, distribution, production, transmission or use of electric power and to take over along with all moveable and immovable properties, the existing facilities on mutually agreed terms from aforesaid authorities and to do all incidental acts and things necessary for the attainment of the foregoing objects.'

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to agree to such variation or modification(s) to the aforesaid objects as may be suggested by the Registrar of Companies, Maharashtra, Mumbai."

- 6 To consider and, if thought fit, to pass the following resolution which will be proposed as Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 81, 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any modification or re-enactment thereof, for the time being in force), subject to all applicable laws and in accordance with all relevant provisions of the Memorandum and Articles of Association of the Company and the Listing Agreement(s) entered into by the Company with the Bombay Stock Exchange Limited and also subject to all applicable Guidelines, Rules and Regulations of Central government, Reserve bank of India, Securities Exchange Control Board of India ((SEBI) and Bombay Stock Exchange (BSE) and also subject to their all such conditions and approvals in this behalf, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall include any committee constituted for the purpose) to offer issue and allot to any one or more persons being eligible foreign as well as Indian Investors, Non-resident Individuals and/or body(ies) corporate, Association of Persons, Banks, Financial Institutions and Others (hereinafter referred to as "Investors" and which term shall mean and include persons/bodies corporate/Associations of Indian as well as foreign origin and persons being Indian as well as foreign citizens), and whether such investors are existing equity shareholders of the Company or not) by way of circulation of an Offering Circular or Prospectus or by way of Private Placement or Preferential allotment of Fully Convertible Debentures/Bonds/GDRs and/or other suitable Debt instruments and Loans, in one or more currencies upto an aggregate principal amount equivalent to US \$ 12,500,000 (United States Dollars Twelve Million Five Hundred Thousand Only) (hereinafter referred to as "the Securities"), secured or

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unsecured, to be subscribed in Indian and/or one or more Foreign currencies, which at the option of the holders of the Securities and/or at the option of the Company, may be converted into equity shares of the Company, such Offer, issue and allotment of Securities and conversion of such securities into equity shares of the Company to be made in one or more tranches, at such prices and on such terms and conditions as may be decided at the time of offer, issue and allotment, by the Board in accordance with the Rules, Regulations, terms, conditions and guidelines prescribed by the Memorandum and Articles of Association of the Company, SEBI, BSE and the Companies Act, 1956.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any Securities referred to above or as may be necessary in accordance with the terms of Offering and such equity shares resulting from the said conversion of Securities, need not necessarily rank *pari passu* with the then existing equity shares of the Company but may carry such qualified rights with regard to voting rights and dividend, as may be decided by the Board of Directors at the time of conversion."

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue and allotment of Securities or equity shares arising out of conversion of such Securities, as described here in above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things as it may at its discretion deem necessary or desirable for such purpose and such authority to include authority to determine without any limitation or restriction, the terms, timings, the class of investors to whom the securities or shares are to be issued, the number of securities or shares to be issued in each trench, issue price, face value, premium amount on issue /conversion of securities, rate of interest, redemption period, etc, the utilization of issue proceeds and power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment, as it may in absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred here in above to any Committee of Directors or Managing Director or any director or any other Officer or Officers of the Company to give effect to the foregoing resolutions."

Notes:

1. Any Member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a Member. Proxies in order to be effective must be received by the Company not less than forty eight hours before the commencement of the Meeting. Proxy Form is enclosed.

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2. Explanatory Statements pursuant to Section 173 (2) of the Companies Act, 1956 setting out the material facts relating to items of Special Business, are attached hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, September 27, 2008 to Tuesday, September 30, 2008, both days inclusive.

Registered Office:

25/25A, 2nd Floor,
Nawab Building,
Opp. Thomas Cook,
327, Dr. D N Road,
Fort, MUMBAI 400001.

By ORDER OF THE BOARD,

Sd/-

(Director).

Dated: September 04, 2008.

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EMPOWER INDUSTRIES INDIA LIMITED**EXPLANATORY STATEMENTS**

(Pursuant Section 173 (2) of the Companies Act, 1956)

Item No: 5

At present the Company is engaged in the business of computer electronics, power electronics, and computer hardware/software development. With a view to enlarge the volume of business operations by entering into greener areas with the help of technology options available and thereby achieve substantial increase in the profitability of the Company, your Directors have decided to diversify into Renewable Energy generation segment. With a power generation capacity of 0.25 to 50 MW, the project calls for an investment of Indian rupees equivalent to US \$ 12 million.

In order to empower the Company to undertake this new operation, it is necessary to alter the III-A of the Objects Clause of the Memorandum of Association of the Company by inserting three sub-clauses, namely, (3A), (3B) and (3C) after the existing sub-clause (3) of Clause III-A. Your Directors feel that the new operations fall under the scope of Section 17 (1) (d) of the Companies Act, 1956, whereby the existing business of power electronics can be conveniently combined with the business of power generation to the total advantage and benefit of the Company. Your Directors, therefore, recommend this resolution for your approval. None of the Directors of the Company is materially interested in this item of business.

A copy of the Memorandum of Association of the Company is open for inspection by Members of the Company on all working days between 11.00 A.M. and 1.00 P.M.

Item No: 6

As mentioned earlier in the above explanatory statements, the Company is all set to undertake an expansion-cum-diversification programme concerning the segments of power electronics, digital electronics, computer hardware/software development and wind power generation. The total cost of the project is estimated at Indian rupees equivalent to US \$ 12.5 million and in order to raise such means, it has been proposed to approach investors/lenders through Private Offers for External Commercial Borrowings, GDRs, Fully Convertible Debentures and/or other instruments as the Directors may find expedient. Such offer, issue and allotment of FCDs/GDRs/shares will be subject to the Memorandum and Articles of Association of the Company, the Companies Act, 1956, Rules, Regulations and guidelines formed by SEBI, Central Government, Reserve Bank of India and also the conditions of the Listing Agreement with the Bombay Stock Exchange Limited.

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As the shares resulting from the conversion of instruments may be issued and allotted to persons other than the existing equity shareholders, it is necessary to pass the resolution under this item, as compliance of Section 81 (1A) of the Companies Act, 1956. Your Directors, therefore, recommend this resolution for your approval by way of a Special resolution. None of the Directors are interested in this item of business.

A copy of the Listing Agreement with BSE is open for inspection by Members of the Company on all working days between 11.00 A.M. and 1.00 P.M.

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

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By ORDER OF THE BOARD,

Sd/-

(Director).

Dated: September 04, 2008.

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EMPOWER INDUSTRIES INDIA LIMITED**DIRECTORS' REPORT**

To,
The Members of Empower Industries India Limited,

Your Directors are pleased to submit their 26th Report together with the audited Statements of Accounts for the year ended March 31, 2008.

1. FINANCIAL RESULTS:**(Rs. in Lacs)**

Sr.No	Particulars	Year ended March 31	
		2008	2007
a	Income from Sales	7367.43	5,053.88
b	Operating Expenditure	7293.23	4,977.67
c	Operating Profit	74.18	76.21
d	Profit before Depreciation & Taxes	74.18	76.21
f	Depreciation	56.22	46.18
g	Profit before taxes	17.96	30.03
h	Provision for taxes	2.25	4.10
i	Deferred Tax	(3.31)	(4.50)
j	Net Profit for the year	19.03	30.43
k	Balance from previous year	324.49	304.32
l	Amount available for appropriation	343.53	334.76
m	Appropriation towards Dividend	2.50	9.00
n	Tax on Dividend	0.42	1.26
o	Balance carried to Balance Sheet	340.60	324.49

The Sales Income for the year under review increased to Rs.7, 367.43 Lacs from Rs.5,053.88 Lacs for the previous year, registering an increase of 45.78%. The operating profit for the year touched Rs.74.18 Lacs.