

i Power Solutions India Limited



**24th Annual Report
2008 - 09**

BOARD OF DIRECTORS

MR.V.PARANDHAMAN	- Chairman cum Managing Director
MR. D.RAVICHANDRA BABU	- Independent Director
MR. K.BHASKARAN	- Independent Director
MR. CA VASUDEVAN S.	- Independent Director

REGISTERED CUM CORPORATE OFFICE

9/5, II Floor, 2nd Main Road,
Karpagam Gardens,
Adyar, Chennai - 600 020.

STATUTORY AUDITORS

W.S.MADHAVANN

1-G, Sri Padmavathy Apts., Sankarapuram,
First Street, Choolaimedu, Chennai - 600 094.

BANKERS

Bank of Maharashtra, Chennai - 600 090.

Punjab National Bank, Chennai - 600 018.

Indian Bank, Chennai - 600 090.

State Bank of India, Chennai - 600 020.

J. SRIRAMAN

Chartered Accountant

Internal Auditor

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 24th Annual General Meeting of the members of i Power Solutions India Limited will be held on 29th September 2009 at 3:00 P.M. at Sangeetha Residency, #2, Luz Church Road, Mylapore, Chennai -600 004 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and the Profit & Loss Account for the year ended 31st March 2009 together with the reports of Directors and Auditors thereon
2. To appoint a Director in the place of Mr. D. Ravichandra Babu who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration.

By Order of the Board
i Power Solutions India Limited

Sd./-
V. PARANDHAMAN
Chairman

Date: 31.07.2009

Place: Chennai

NOTES

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll, to vote instead of himself / herself and a Proxy need not be a member of the Company. The instrument appointing the Proxy to be valid shall be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for holding the Meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 21st September 2009 to 29th September 2009 (both days inclusive).
3. For shares held in physical form, any change in address may be intimated immediately to the Company / Share Transfer Agent by quoting the Folio Number(s).
4. Members / Proxies are requested to bring the Attendance slip sent with the Annual Report duly filled in for attending the Meeting. Members who hold shares in the dematerialized form are requested to indicate their DP ID and Client ID Numbers in the Attendance slip.
5. The Company's Equity shares are listed at Bombay Stock Exchange Limited.
6. Members holding shares in physical form can avail of the nomination facility. For Further details, Members may write to the Company / Share Transfer Agent.

DIRECTORS REPORT

Your directors have pleasure in presenting the Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2009.

FINANCIAL PERFORMANCE

The performance of the Company has improved well during the year and the highlights are given below:

PARTICULARS	(in Rupees)	
	2009	2008
Profit / (Loss) before Interest and Finance Charges and Depreciation	11,33,427	6,59,751
Interest and Finance Charges	1,31,152	86,932
Profit / (Loss) before Depreciation	10,02,275	5,72,819
Depreciation	9,07,436	3,98,490
Profit / (Loss) after Depreciation before Tax	94,839	1,74,329
Preliminary Expenses	Nil	Nil
Profit / (Loss) before Tax	94,839	1,74,329
Provision for Income Tax, Current Tax, Deferred Tax	Nil	Nil
Profit / (Loss) after Tax but before dividend	94,839	1,74,329

BUSINESS PLAN

The Company has its presence spanning across USA, UK, Germany and UAE and its focus areas are web/e-commerce solutions, software application development and information processing.

DIRECTORS

During the year Sri. D. Ravichandra Babu who retires and being eligible, offers himself for re-appointment.

CORPORATE GOVERNANCE

Your Company attaches considerable significance to good Corporate Governance as an important step towards building investor confidence and maximize long term shareholder value. Pursuant to Clause 49 of the Listing Agreement with the Stock exchange, a compliance report on Corporate Governance has been annexed as part of the Annual Report.

DEPOSITS

The Company has not accepted any Fixed Deposits from the public.

DIVIDEND

No dividend is recommended during the financial year ended 31st March 2009.

AUDITORS

Mr. W.S.Madhavann, FCA, Chartered Accountant, Chennai, Statutory Auditor of the Company retires at the ensuing Annual General Meeting and he is eligible for reappointment. His re-appointment is recommended.

DISCLOSURE OF PARTICULARS

Disclosure as per requirements of Section 217 (2) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, with respect to energy conservation, technology absorption is nil.

In respect of Foreign Exchange earnings and Outgo (in US \$), details are given below –

Foreign Exchange Earnings: US \$ 110014.18

Foreign Exchange Outgo: US \$ 22000.00

PERSONNEL

There were no employees of the Company who were in receipt of Rs.24,00,000 during the financial year ended 31.03.2009 as per the limit set under the provisions of Section 217 (2A) of the Companies Act, 1956 and the rules framed thereunder.

DIRECTORS RESPONSIBILITY STATEMENT

In compliance with the provisions of Section 217 (2AA) of the Companies Act, 1956 (the Act) your Directors hereby confirm that:

- ❖ In preparing the Annual Accounts for the year ended 31.03.2009 all the applicable standards have been followed.
- ❖ Accounting policies were adopted and applied consistently and made judgments and 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 31.03.2009.
- ❖ Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing/detecting fraud and irregularities have been taken.
- ❖ The Annual Accounts have been prepared on a 'going concern' basis.

ACKNOWLEDGEMENT

Your directors thank and acknowledge the continuous co-operation and assistance extended by Bank of Maharashtra, Punjab National Bank, Indian Bank, State Bank of India, Bombay Stock Exchange Limited, Cameo Corporate Services Ltd., our employees and the various customers who are patronizing our products.

For and on behalf of the Board

Sd./-

V. PARANDHAMAN

Chairman

Date: 31.07.2009

Place: Chennai

SHOBA GIRIDHARAN
Practising Company Secretary

No.19, 1st Street, Venkatarathinam Nagar Extn.,
Adyar, Chennai – 600 020. (M) 98401 84856

Reg No. 18-47456

Nominal Capital: 5, 00,00,000

COMPLIANCE CERTIFICATE

To

The Members of the Company,
i Power Solutions India Limited
Chennai.

Sir,

Sub: INSPECTION OF RECORDS

I have examined the registers, records, books and papers of i Power Solutions India Limited as required to be maintained under the Companies Act, 1956 (the act) and the rules made there under and also the provisions contained in the Memorandum and articles of association of the Company for the financial year ended on 31.03.2009. In my opinion and to the best of the information and according to the examinations carried out by me and explanations furnished to me by the Company, its Officers and Agents, I certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the registrar of companies, Regional Director, Central Government, Company Law Board or other authorities prescribed under the Act and the rules made there under.
3. The company being a public limited company has the minimum prescribed paid up Capital.
4. The Board of directors duly met 6 times respectively on 25.06.2008, 31.07.2008, 14.08.2008, 30.09.2008, 31.12.2008 and 30.01.2009 in respect of which meetings, proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its register of members for the period 16.08.2008 to 25.08.2008 and issued the public notice.
6. The Annual General Meeting for the financial year ended 31.03.2008 was held on 8.09.2008 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in minutes book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of section 297 of the Act during the year.
10. The Company has made entries in the register maintained under section 301 of the Act, in the matter of disclosure of interest.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government, as the case may be.

12. The Company has not issued any duplicate certificates during the financial year.
13. (i) There was no allotment / Transmission of securities during the financial year The transfers were effected within the time and share certificates were dispatched.
- (ii) The company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
- (iii) The company has not posted warrants to any member of the company as no dividend was declared during the financial year.
- (iv) Duly complied with requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors to fill casual vacancies during the financial year.
The company has appointed a director during the financial year.
15. The company has not appointed any Managing Director / whole-time Directors / managers during the financial year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain approvals from Central Government, Company Law Board, Registrar of Companies/Regional Director and / or such authorities prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any Shares or Debentures during the financial year.
20. The company has not bought back any shares during the financial year ending 31st March 2009.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to Dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year. However the Company has taken unsecured loan from Directors only.
24. The Company has not borrowed any money during the year. Hence the provisions of section 293(1) (d) of the Act is not attracted
25. The company has not made loans or advances, or given guarantees or provided securities to other bodies corporate during the year and consequently no entries has been made in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.

30. The company has not altered its articles of association during the financial year in respect of the authorised capital.
31. There were no prosecution initiated against or show cause notices received by the company, during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The company has not constituted a separate provident Fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

Place: Chennai

Sd./-

Date: 31.07.2009

Shobha Giridharan
C. P. No 7118

ANNEXURE - A

Registers as maintained by the Company:

1. Register of Members u/s.150 (with Registrar of the company)
2. Register of Directors section 303 of the Companies Act, 1956.
3. Register of Directors' Shareholding u/s.307 of the Companies Act, 1956.
4. Register of contracts with Directors, Companies and Firms in which Directors are interested under section 301 of the Companies Act, 1956
5. Minutes of the Board of Directors and Shareholders
6. Register of Share Transfers

ANNEXURE - B

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending 31st March 2009.

Form no.	Filed u/s	Subject matter	Rt No. & date
Form 20B	159	Schedule V / for AGM held on 08.09.2008	P25305905 & 06.11.2008
Form 23AC & ACA	220	Balance Sheet & Profit And Loss A/C for the year ended 31.03.2008	P21417415 & 19.09.2008
Form 32	303	Resignation/Appointment of Director	A43036771 & 12.08.2008
Form 32	303	Appointment of Secretary	A44773281 & 12.09.2008
Form 32	303	Resignation of Secretary	A47254453 & 16.10.2008

MANAGEMENT ANALYSIS**i Power Solutions India Limited**

i Power Solutions India Limited, the leading e-commerce and web related service provider has reported significant results for the year ended 31.03.2009.

PERFORMANCE REPORT

- ❖ i Power Solutions India Limited has announced its audited financial results for the year ended 31st March 2009.
- ❖ i Power Solutions India Limited showed a net profit of Rs. 0.94 lacs for the financial year 2009 as compared to Rs.1.74 lacs of previous year 2008.
- ❖ The Company focuses its training business and propose to develop its own brand name.

Particulars	(Rs. in '000)	
	Year ended 31.03.2009	Year ended 31.03.2008
Net Income	9,045	6,179
Total Expenditure	8,043	5,606
Net Profit	95	174
% of Profit growth	(-) 45	61

The net income from operation for the year ending 31.03.2009 is Rs.90.45 lacs compared to previous year's figure of Rs.61.79 lacs for the year ending 31.03.2008.

The total expenditure for the year ending 31.03.2009 is Rs.80.43 lacs as compared to previous year's figure of Rs.56.06 lacs for the year ending 31.03.2008.

The Net profit for the year ending 31.03.2009 is Rs.0.95 lacs as compared to the previous year figure of Rs.1.74 lacs, shows a decline of 45%.

Due to the increase in expenditure for the year ending 31.03.2009 the profit has decreased from Rs.1.74 lacs to Rs.0.95 lacs.

Consolidated

During the year the company on a consolidated basis witnessed an exponential growth in the segments of Software Development & Services, Education & Training and e-Governance; resulting in a cumulative Rs. 90.45 lacs in sales revenue, as compared to Rs 61.79 lacs in the previous year.

The profit before tax posted for the financial year 2008-09 stood at Rs.0.95 lacs as against Rs 1.74 lacs of the previous year, registering a decrease of Rs.0.79 lacs.