

i Power Solutions India Limited

Power

**25th Annual Report
2009 - 10**

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 (upto 15th July 2010)
- MR. R. JAYAPRAKASH** - Independent Director (from 15th July 2010)

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.

Mr. V.R.SRIDHARAN, F.C.A.

Chartered Accountant

Internal Auditor

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 25th Annual General Meeting of the members of M/s. i Power Solutions India Limited will be held on 22nd September 2010 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 2010 and the Profit & Loss Account for the year ended 31st March 2010 together with the reports of Directors and Auditors thereon
2. To appoint a Director in the place of Mr. K. Bhaskaran who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration.

SPECIAL BUSINESS:

4. To pass the following resolution with or without modification as Ordinary resolution.
“**RESOLVED THAT** Mr. R. Jayaprakash be and is hereby appointed as an Independent Director of the Company”.

By Order of the Board
i Power Solutions India Limited
Sd./-
V.PARANDHAMAN
Chairman

Date: 30.07.2010

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 15th September, 2010 to 22nd September 2010 (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.
7. The Explanatory statement has been enclosed as per section 174 of the Companies, 1956.

EXPLANATORY STATEMENT UNDER SECTION 172 OF THE COMPANIES ACT 1956.

1. During the year Mr. R. Jayaprakash was appointed as an Independent Director of the company with effect from 15th July, 2010.

Qualification: M.E. (Computer Science)

Experience: 30 Years Experience, MD in M/s. K Soft Systems Private Limited.

Age: 53 Years.

He has been working as Managing Director and has rich experience.

His tenure as Director comes to an end at this Annual General Meeting and it is proposed to appoint him as an Independent Director which requires the approval of the members of the company. Hence the resolution is recommended.

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 2010.

FINANCIAL PERFORMANCE

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

PARTICULARS	(in Rupees)	
	2010	2009
Profit / (Loss) before Interest and Finance Charges and Depreciation	10,53,558	11,33,751
Interest and Finance Charges	1,123	1,31,152
Profit / (Loss) before Depreciation	10,52,435	10,02,275
Depreciation	7,72,207	9,07,436
Profit / (Loss) after Depreciation before Tax	2,80,228	94,839
Preliminary Expenses	Nil	Nil
Profit / (Loss) before Tax	2,80,228	94,839
Provision for Income Tax, Current Tax, Deferred Tax	Nil	Nil
Profit / (Loss) after Tax but before dividend	2,80,228	94,839

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, information processing. The Company is planning to do software projects in Java and Net technologies and to market college campus automation software and its social networking portal.

DIRECTORS

Mr. R. Jayaprakash has been appointed as an independent Director of the Company in the place of Mr. CA Vasudevan S who resigned from the Board. The Board of Directors places on record its appreciation of the services rendered and co-operation extended by Mr. CA Vasudevan S. during his tenure.

TAKE OVER AND OPEN OFFER PROCESS

During the year an agreement was signed between the Promoter Mr. V. Parandhaman and Mr. N. Ramamurthy, an acquirer from U.S.A to acquire Promoters shares and consequently an open offer for the Public shares was made by the acquirer as prescribed by SEBI. As the acquirer could not pay for the acquisition of promoters shares the promoter terminated the Equity share purchase agreement on 14th July, 2010 and informed Bombay Stock Exchange Limited and Merchant Banker accordingly.

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 their Annual Report.

DEPOSITS

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

DIVIDEND

No dividend is recommended for the financial year ended 31st March 2010.

AUDITORS

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

COMPLIANCE CERTIFICATE

As per the provisions of Companies Act, 1956 the Company has to circulate the Compliance Certificate. Accordingly, B. Prabakar, Practising Company Secretary has issued the certificate and the same is circulated along with this report.

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 \$ 96.138

Foreign Exchange Outgo: US \$ 63.400

PERSONNEL

There were no employees of the Company who were in receipt of Rs.24,00,000 during the financial year ended 31.03.2010 as per the limit set under the provisions of Section 217 (2A) of the Companies Act, 1956 and the rules framed there under.

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 31.03.2010 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 31.03.2010.
- ❖ 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: 30.07.2010

Place: Chennai

CIN # L72200TN2001PLC047456
Nominal Capital # Rs.5,00,00,000/-
Paid Up Capital # Rs.4,44,90,000/-

COMPLIANCE CERTIFICATE

To
The Members of the Company,
M/s. i Power Solutions India Limited
9/5, II Floor, 2nd Main Road, Karpagam Gardens,
Adyar, Chennai - 600 020.

Sir,

I have examined the registers, records, books and papers of M/s. i Power Solutions India Limited , as required to be maintained under the Companies Act, 1956, 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 31/3/2010. In my opinion and to the best of my 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 within the time 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 5 times respectively on 30/6/2009, 31/7/2009, 30/10/2009, 01/12/2009 and 29/1/2010 in respect of which meetings proper notices were given and the 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 from 21/9/2009 to 29/9/2009.
6. The AGM for the financial year ended on 31/3/2009 was held on 29/9/2009 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 EGM 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.
10. The company has made necessary entries in the register maintained under section 301 of the Act.

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.
12. The company has not issued any duplicate share certificates during the financial year.
13. There was no allotment /transmission, but transfer of securities during the financial year.
- (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 was not required to post warrants to any member of the company as no dividend was declared during the financial year.
- (v) The Company duly complied with the 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 and directors to fill casual vacancy during the financial year.
15. The company has not appointed any Managing Director / Whole Time Directors / Managers during the year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year.
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, debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
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 58 A during the financial year.
24. The company has not borrowed any money during the year and hence provisions of Section 293 (1) (d) is not attracted.
25. The company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have 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 from one State to another during the year under scrutiny.
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 year under review.
31. There were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on 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 deducted any contribution towards Provident Fund during the financial year.

Place: Chennai

Date: 02.08.2010

Sd./-

B.PRABAKAR

C. P. No. 9106

ANNEXURE - A

1. Register of Investments under section 49.: does not arise.
2. Register of Deposits under Rule 7 of the Companies (Acceptance of Deposits) Rules, 1975.: NIL
3. Register of Securities Bought Back under Section 77 A: NIL
4. Register of Charges under Section 143 / Copies of Instruments creating charge under section 136: MAINTAINED
5. Register of Members under section 150 and Index of Members under section 151.: MAINTAINED
6. Register and Index of Debenture holders under section 152: NIL
7. Foreign Registers of Members or Debenture holders under section 157.: NIL
8. Registers and Returns under section 163.: MAINTAINED
9. Minutes Book of Meetings: MAINTAINED
10. Minutes Book of Class Meeting / Creditors Meeting: NIL
11. Books of Accounts and Cost Records under Section 209.: NIL
12. Register of Particulars of Contracts in which Directors are Interested under section 301.: NIL
13. Register of Directors, Managing Director, Manager and Secretary under Section 303.: MAINTAINED
14. Register of Directors' Shareholdings under Section 307.: MAINTAINED
15. Register of Investments or loans made, guarantee given or security provided under section 372 A (wef 31/10/1998): NIL
16. Register of Renewed and Duplicate Certificates under Rule 7 of the Companies (Issue of Share Certificates) Rules, 1960.: NIL
17. Register of Destruction of Records / Documents.: MAINTAINED

OTHER REGISTERS:

1. Register of Inspection: MAINTAINED
2. Register of Directors' Attendance: MAINTAINED
3. Register of Shareholders' Attendance: MAINTAINED
4. Register of Proxies: MAINTAINED
5. Register of Transfers: MAINTAINED
6. Register of Fixed Assets: MAINTAINED
7. Register of Documents Sealed: MAINTAINED

ANNEXURE B:**Periodical Returns:**

- (1) Annual Return: filed
- (2) Balance Sheet, etc., under section 220.: filed
- (3) Compliance Certificate under Section 383A: filed

OTHER IMPORTANT RETURNS:

1. Return of Allotment: nil
 2. Return on Buy back of securities: nil
 3. Notice of redemption of preference shares, consolidation, division, increase in share capital, cancellation of shares and increase in number of members.: nil
 4. Notice of Situation / Change in Situation of Registered Office: nil
 5. Court / CLB orders: nil
 6. Registration of Resolutions and Agreements: nil
 7. Return of Appointment of Managing Director / Whole time director / manager: nil
 8. Consent to act as director of the company (in the case of public company): nil
 9. Particulars of Appointment of directors, managing director, manager, or secretary and changes made (section 303(2)): nil
 10. Return of deposits under section 58A: nil
 11. Particulars of Beneficial interest in shares: nil
 12. Registration of Creation / Modification / Satisfaction of charge: filed
- To be filed with other authorities: nil