

**i Power Solutions India Limited**



**27th Annual Report  
2011 - 12**

## **BOARD OF DIRECTORS**

<b>Mr. V. PARANDHAMAN</b>	- Chairman cum Managing Director
<b>Mr. D. RAVICHANDRA BABU</b>	- Independent Director
<b>Mr. K. BHASKARAN</b>	- Independent Director
<b>Mr. R. JAYAPRAKASH</b>	- Independent Director

## **REGISTERED CUM CORPORATE OFFICE**

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

## **STATUTORY AUDITOR**

**W.S.MADHAVANN**

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

## **INTERNAL AUDITOR**

**V.R.SRIDHARAN**

Chartered Accountant

## **BANKERS**

**Bank of Maharashtra**, Chennai - 600 090.  
**Punjab National Bank**, Chennai - 600 018.  
**Indian Bank**, Chennai - 600 090.

## **NOTICE TO THE SHAREHOLDERS**

Notice is hereby given that the 27th Annual General Meeting of the members of M/s. iPower Solutions India Limited will be held on 24th September 2012 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 2012 and the Profit & Loss Account for the year ended 31st March 2012 together with the reports of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr.R.Jayaprakash, 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: 7.8.2012

Place: Chennai

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 17th September, 2012 to 24th September, 2012 (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. **Distribution of Gifts at AGM:**

The Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India has specifically mentioned that no gifts, gift coupons or cash in lieu of gifts should be distributed to the members at or in connection with the meeting, which is also being considered by the Ministry of Company Affairs.

Hence pursuant to the above Secretarial Standards, your company decided not to distribute any gifts to the members attending the forthcoming Annual General Meeting.

## **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 2012.

### **FINANCIAL PERFORMANCE**

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

PARTICULARS	(in Rupees)	
	2012	2011
Profit / (Loss) before Interest and Finance Charges and Depreciation	8,17,097	9,78,366
Interest and Finance Charges	1,35,242	2,20,276
Profit / (Loss) before Depreciation	6,81,855	7,58,090
Depreciation	5,58,097	6,57,231
Profit / (Loss) after Depreciation before Tax	1,23,758	1,00,859
Preliminary Expenses	Nil	Nil
Profit / (Loss) before Tax	1,23,758	1,00,859
Provision for Income Tax, Current Tax, Deferred Tax	Nil	Nil
Profit / (Loss) after Tax but before dividend	1,23,758	1,00,859

### **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 doing software projects in PHP, Java and Dot Net technologies, Web applications, Android, iPhone applications etc. The Company has a social networking portal called vanavil.com.

### **DIRECTORS**

Mr. R. Jayaprakash retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. His re-appointment is recommended.

### **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 Certificate on Corporate Governance has been annexed as a part of this 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 2012.

### **AUDITORS**

Mr. W.S. Madhavann FCA, Chartered Accountant, Chennai, Statutory Auditor of the Company retires at

the ensuring 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 from a Company Secretary. Accordingly, Mr. P. Srinivasa Rao, Practising Company Secretary has issued a 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 \$ 49,099

Foreign Exchange Outgo: US \$ 52,000

## **PERSONNEL**

There were no employees in the Company who were in receipt of remuneration pursuant to 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 31.03.2012 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 31.03.2012.
- ❖ 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, Bombay Stock Exchange Limited, Cameo Corporate Services Ltd., our employees and the various customers who are patronising our products.

**For and on behalf of the Board**

Sd./-

**V. PARANDHAMAN**

Chairman

Date: 07.08.2012

Place: Chennai

### **COMPLIANCE CERTIFICATE**

The Members,  
M/s. i POWER SOLUTIONS INDIA LIMITED,  
No.9/5, II Floor, II Main Road, Karpagam Gardens,  
Adyar, Chennai - 600 020.

CIN L72200TN2001PLC47456  
Authorised Capital : 5,00,00,000/-

I have examined the registers, records, books and papers of M/s. i POWER SOLUTIONS INDIA LIMITED ("the Company") as required to be maintained under the Companies Act, 1956 ("The Act") and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2012. In my opinion and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, and to the best of my knowledge and belief, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained the registers as stated in Annexure 'A' to this certificate, as per the provisions of the Companies Act, 1956 and the rules made thereunder.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Chennai, under the Companies Act, 1956 and the rules made thereunder.
3. The Company has a paid-up capital of Rs.4,44,90,000/- (Rupees Four Crore Forty Four Lakhs Ninty Thousand only) as on 31st March, 2012.
4. The Board of Directors met four times on 27.05.2011,04.08.2011,10.11.2011 and 27.01.2012 and the proceedings were properly recorded. The Company has not passed any board resolution by circulation.
5. The Company has closed its Register of Members for the period from 15.09.2011 to 22.09.2011.
6. The Annual General Meeting for the financial year ended 31st March, 2011 was held on 22nd September, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year under review.
8. According to the information, explanations and declarations given by the Company, the Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Companies Act, 1956.
9. According to the information, explanations and declarations given by the Company, the Company has not entered into any contracts falling within the purview of Section 297 of the Companies Act, 1956 during the year under scrutiny.
10. The Company has made necessary entries in the register to be maintained under Section 301 of the Companies Act, 1956.
11. According to the information, explanations and declarations given by the Company, there were no transactions/instances falling within the purview of Section 314 of the Companies Act, 1956, therefore the Company was not required to obtain any approvals from the Board of Directors, Members or Central Government, as the case may be in this regard.
12. The Company has not issued any duplicate share certificates during the year under scrutiny.
13. The Company has:

- I. not issued and allotted any securities and there were transfers made during the said financial year.
  - II. not declared any dividend during the financial year.
  - III. generally complied with the requirements of Section 217 of the Companies Act, 1956.
14. The Board of Directors of the Company is duly constituted and there was an appointment of director retiring by rotation during the year and no appointment of alternate directors, or directors to fill casual vacancy during the year under scrutiny.
  15. The Company has not appointed any Managing Director / Whole-time Director / Manager 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 any approvals from the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the provisions of the Companies Act, 1956 during the year under scrutiny.
  18. The Directors have disclosed their interest in other companies, firms to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
  19. The Company has not issued shares, debentures or other securities during the financial year.
  20. The Company has not bought back any shares during the year under scrutiny.
  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 taken loans from its directors which attract the provisions of Section 58A of the Companies Act 1956 falling within the purview of acceptance of deposits from the public during the financial year under review.
  24. The company has borrowed money from directors and others but within the borrowing limits of the Company, as per the provisions of Section 293(1)(d) of the Companies Act, 1956.
  25. The Company has not made any loans or guarantees given or security provided to other bodies corporate or investment made in other bodies corporate under the provisions of Section 372A of the Companies Act, 1956.
  26. The Company has not altered any provisions of the memorandum of association during the year under scrutiny.
  27. The Company has not altered its articles of association during the year under scrutiny.
  28. There were no prosecutions initiated against the Company. However, a notice was received from the Registrar of Companies, Mumbai directing the company to file balance sheets for the previous years. It was explained that the registered office of the company was shifted from Mumbai to Chennai with effect from 29.3.2001 therefore filing balance sheets with Mumbai Registrar of Companies does not arise. A notice was received from the Reserve Bank of India directing the company to file annual returns on foreign liabilities and assets for the year 2010-11.
  29. The Company has not received any money as security from its employees during the financial year under scrutiny.
  30. The Company has not deducted any contribution towards Provident Fund u/s 418 of the Companies Act, 1956 during the year under study.

Place : Chennai  
Date : 7.8.2012

P.SRINIVASARAO  
COMPANY SECRETARY IN-PRACTICE

### ANNEXURE – A

- 1) Register of Members u/s 150 of the Companies Act, 1956.
- 2) Register of Directors' Shareholdings u/s 307 of the Companies Act, 1956.
- 3) Register of Directors, Managing Directors, Manager and Secretary u/s 303 of the Companies Act, 1956.
- 4) Register of Contracts u/s 301(3) of the Companies Act, 1956.
- 5) Register of Charges u/s 143 of the Companies Act, 1956.

### ANNEXURE – B

S.No.	Form No./ Return	Filed under section	For	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether additional fee paid Yes/No
1.	Form 23AC/ACA Balance Sheet	220	Annual Accounts for the year ended 31.03.2011.	20.12.2011	yes	No
2.	Form 20B Annual Return	159	Annual Return made up to 30.09.2011.	17.11.2011	Yes	No
3.	Form 66 Secretarial Compliance Certificate	383A	For the financial year 2010-2011	13.10.2011	No	Yes

Place : Chennai  
Date : 7.8.2012

P.SRINIVASARAO  
Company Secretary-in Practice

## **MANAGEMENT ANALYSIS**

### **iPower Solutions India Limited**

iPower Solutions India Limited, the leading e-commerce and web related service provider has reported significant results for the year ended 31.03.2012.

### **PERFORMANCE REPORT**

- ❖ iPower Solutions India Limited has announced its audited financial results for the year ended 31st March 2012.
- ❖ iPower Solutions India Limited showed a net profit of Rs.1.24 Lacs for the financial year 2012 as compared to Rs.1.01 Lacs of previous year 2011.
- ❖ The Company focuses its training business and proposes to develop its own brand name.

Particulars	(Rs. in '000)	
	Year ended 31.03.2012	Year ended 31.03.2011
Net Income	6,186	4,199
Total Expenditure	6,062	4,098
Net Profit	124	101
% of Profit growth	23	(64)

The Net income from operation for the year ending 31.03.2012 is Rs. 61.86 Lacs compared to previous year's figure of Rs.41.99 Lacs for the year ending 31.03.2011.

The total expenditure for the year ending 31.03.2012 is Rs. 60.62 Lacs as compared to previous year's figure of Rs.40.98 for the year ending 31.03.2011.

The Net profit for the year ending 31.03.2012 is Rs. 1.24 Lacs as compared to the previous year figure of Rs.1.01 Lacs shows increase of 23%.

During the year the company witnessed a growth in the segments of Software Development & Services, Education & Training resulting in a cumulative Rs. 61.86 Lacs in sales revenue, as compared to Rs.41.99 Lacs in the previous year.

The profit before tax posted for the financial year 2011-12 stood at Rs. 1.24 lacs as against Rs.1.01 lacs of the previous year, registering an increase of Rs.0.23 lacs

The shares of the Company remain unaltered during the financial year.

## CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing Agreement)

### I Company's Philosophy on code of Corporate Governance

Corporate Governance is reflected in the manner in which the Company deals with its shareholders, employees, customers as also every other stakeholder including the society in which the Company operates. Your Company is committed towards transparency in all its dealings, adhering to the corporate values and leveraging the corporate values and leveraging the corporate resources in alignment with the benefits to the stakeholders.

The promoters of your Company are committed to moulding Governance with the culture of the Company that is built upon core values, beliefs and ethics.

Your Company's pursuit towards achieving good governance is an ongoing process and it continues to practice corporate Governance of the good standard. A report on the compliance with the Code of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) incorporated in Clause 49 of the Listing Agreement in all material aspects is given below.

### II Board of Directors

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors with 3 independent Non-Executive Directors out of the 4 Directors on the Board as on date. The Chairman is an Executive Director and the number of Independent Non-Executive Directors on the Board is more than 50% of the Board Strength at any point of time.

All independent Non-Executive Directors comply with the requirements of the Listing Agreement for being "Independent Directors". Further the Independent Directors have also affirmed that they satisfy all the prescribed requirements for being an Independent Director.

As per provisions of the Articles of Association of the Company, Mr. R. Jayaprakash retires by rotation and being eligible offers himself for re-appointment at the forthcoming Annual General Meeting. The Board recommends his re-appointment for consideration of the Shareholders.

The Notice for the Annual General Meeting schedule to be held on 24.09.2012 complies with this requirement.

#### a) Composition of the Board

The Composition of the Board of Directors as on March 31, 2012 is given below :

Name	Category	Designation	Total Number of Committee Membership in other companies	Total Number of Committee Chairmanship in other companies	Directorship in other companies
Mr. V.Parandhaman	Promoter Director	Chairman cum M.D	-	-	Nil
Mr. D.Ravichandra Babu	Independent Non-Executive Director	Director	-	-	M/s. Trans Corporate Advisory Services (P) Ltd.
Mr. K.Bhaskaran	Independent Non-Executive Director	Director	-	-	M/s. BilvacTechno Management (P) Ltd. M/s. Veryx Technologies (P) Ltd
Mr. R.Jayaprakash	Independent Non-Executive Director	Director	-	-	M/s. K Soft Systems Private Limited