



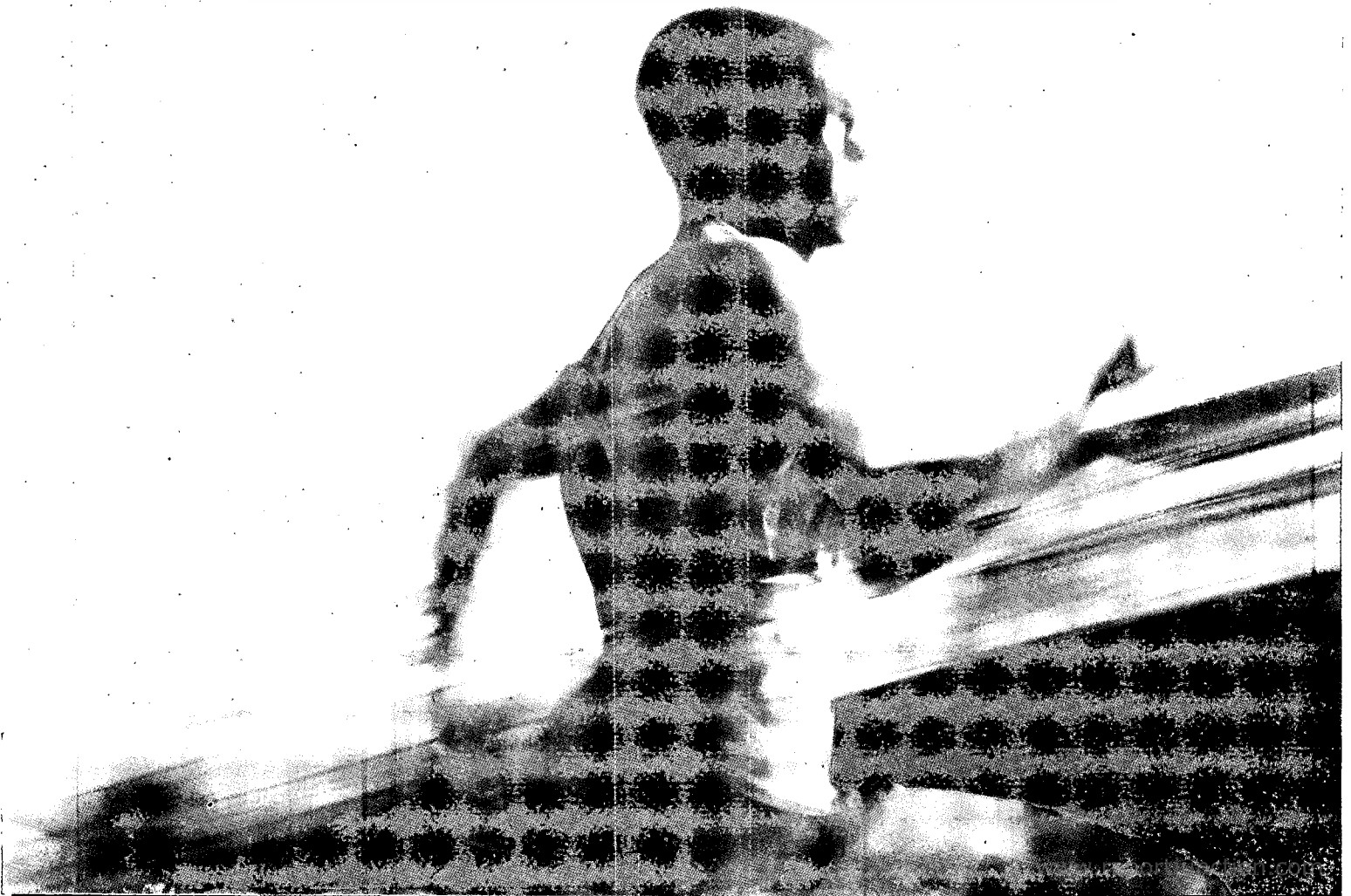
IMP Powers Ltd.

ANNUAL REPORT 2008-09

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Forward looking statements:

The report contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words like 'plans', 'expects', 'anticipates', 'believes', 'intends', 'estimates', or other similar expressions as they relate to Company or its business are intended to identify such forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. The Company undertakes no obligation or responsibility to publicly amend, update, modify or revise any forward-looking statements, on the basis of any new information, future event, subsequent development or otherwise.

**What's Inside!**

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IMP POWERS LIMITED

Registered office : Survey No 263/ 3/ 2 /2 Sayli Village ,Umar Kuin Road Silvassa (U.T.)

Notice

NOTICE is hereby given that the 47th Annual General Meeting of IMP POWERS LIMITED will be held on Tuesday ,the 15th day of December 2009 at 3.00 P.M. at the Registered Office of the Company i.e. Survey No. 263/3/2/2, Umar Kuin Road, Sayli Village, Silvassa, U.T.(D.&N.H.) to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 30th June 2009 and Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Prashant.J.Pandit who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. R.T.RajGuroo who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Statutory Auditors and fix their remuneration.

"RESOLVED THAT pursuant to Sec 224 of the Companies Act 1956 and other applicable provisions if any, M/s Batliboi & Purohit the retiring Auditors of the company be and are hereby re-appointed as the Auditors of the company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the company and that the Audit committee of the company be and is hereby authorized to fix their remuneration for this period. "

SPECIAL BUSINESS

- 5 To consider and if thought fit, to pass following resolution with or without modification, as an Ordinary resolution:-

"RESOLVED THAT Mr. Siby Antony who was appointed by the Board of Directors as an Additional Director of the Company on 3rd July 2009, who holds the office upto the conclusion of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956('the Act') and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

- 6 To, consider and if thought fit to pass with or without modification, the following as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of sec 198,269,309 read with Schedule XIII and all other applicable provisions of the Companies Act,1956 (including any Statutory modifications or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the shareholders be and is hereby accorded for re-appointment of Mr. Ramniwas R Dhoot, Chairman of the company w.e.f from 1st April 2009 for a period of Five years and revised remuneration from 1st July 2009 as per terms and conditions as set out in the explanatory statement.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may be necessary, proper or expedient to give effect to this resolution"

- 7 To, consider and if thought fit to pass with or without modification, the following as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of sec 198,269,309 read with Schedule XIII and all other applicable provisions of the Companies Act,1956 (including any Statutory modifications or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the shareholders be and is hereby accorded for re-appointment of Shri Ajay. R. Dhoot, Managing Director, of the company w.e.f from 1st April 2009 for a period of Five years and revised remuneration from 1st July 2009 as per terms and conditions as set out in the explanatory statement.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may be necessary, proper or expedient to give effect to this resolution"

8. To, consider and if thought fit to pass with or without modification, the following as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of sec 198,269,309 read with Schedule XIII and all other applicable provisions of the Companies Act,1956 (including any Statutory modifications or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the shareholders be and is hereby accorded for re-appointment of Shri Aaditya.R.Dhoot,Joint Managing Director, of the company w.e.f from 1st April 2009 for a period of Five years and revised remuneration from 1st July 2009 as per terms and conditions as set out in the explanatory statement.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may be necessary, proper or expedient to give effect to this resolution"

Place: Mumbai
Dated: 31st October, 2009

For and on behalf of the Board
Ramniwas R Dhoot
Chairman

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The Proxy form, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the Commencement of the Meeting.
2. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the Special Business mentioned above is annexed hereto and forms part of the notice
3. All documents referred to in the accompanying Notice and Explanatory Statement are available for inspection at the Corporate Office of the Company on working days between 11.00 a.m. to 1.00 p.m. excluding Saturdays, Sundays and Public Holidays up to the date of Annual General Meeting.
4. Members are requested to intimate to the Company, queries,

if any, on the accounts at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.

5. Member/Proxies should bring the Attendance Slip duly filled in for attending the meeting and are also requested to bring their copies of Annual Report to the meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 9th December to 15th December 2009(both days inclusive) Change of Address and other instruction: Members are requested to inform the Company or M/s Link Intime India Private Limited, immediately of any change in their address / Bank details. Member holding shares in dematerialized form are requested to intimate all changes with respect to their address, Bank details, and mandate etc. to their respective Depository Participant. These changes will then be automatically reflected in the Company's records.

8. Brief profile of directors

Particulars	Mr. Prashant J. Pandit	Mr. R. T. RajGuroo	Mr. Siby Antony
Date of Birth	10th February 1955	27th June 1944	10th May 1948
Date of Appointment	30th November 2007	30th November 2007	3rd July 2009
No of shares held in the company	Nil	Nil	Nil
Expertise in Specific functional area	Mr. Prashant Pandit is a leading advocate and is having experience of more than 29 years and is having expertise in the area of Civil, Criminal and Labour Laws and is also having a professional expertise in Finance and Accounts Discipline.	Mr. R. T. RajGuroo is a Practicing Company Secretary having expertise in the field of Corporate Laws, Labour and Industrial Laws, Finance and Project Financing .He is having experience of more than 39 years in the related fields.	Mr. Siby Antony is the former Executive Director of IDBI overall in charge of recovery and legal department and was the Chairman of CDR Empowered Group. Currently he associated with Edelweiss Capital Ltd.

ANNEXURE TO NOTICE:

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 5:

The Board of the Directors of the Company has appointed Mr.Siby Antony as an Additional Director with effect from 3rd July 2009.

As per Section 260 of the Companies Act, 1956, Mr. Siby Antony holds the office as Additional Director up to the date of this Annual General Meeting. The Company has received notice pursuant to Section 257 of the Companies Act, 1956 from a shareholder proposing the candidature of Mr. Siby Antony as Director of the Company liable to retire by rotation.

A brief resume of Mr. Siby Antony is given in the note no. 8 to the Notice convening this Annual General Meeting.

None of the other Directors, except Mr.Siby Antony, are in any way, concerned or interested in the said resolution.

Your Directors recommended the resolution at item no. 5 of the notice.

ITEM No 6, 7 and 8

The Board of Directors in their meeting held on 28th January 2009 approved the re-appointment of Shri Ramniwas R Dhoot as Chairman; Shri Ajay R Dhoot as Managing Director; and Shri Aaditya R Dhoot as Jt. Managing Director effective from 1st April 2009 for a period of 5(Five) years on the existing terms. In the meeting held on 31st October 2009 the Board reviewed the terms and conditions as set out in the service contract and decided to revise the remuneration payable w.e.f 1st July 2009 while retaining the other terms and conditions unchanged. The revised remuneration structure is as given below:

1. Remuneration structure :

Particulars	Shri Ramniwas R Dhoot (Chairman)	Shri Ajay R Dhoot (Managing Director)	Shri Aaditya R Dhoot (Jt. Managing Director)
Remuneration	260000 p.m in the scale of 260000-510000	240000 p.m in the scale of 240000-440000	220000 p.m in the scale of 220000 - 420000
The increments within the salary scale will be decided by the Board of Directors from time to time as it may deem fit.			
Perquisites and allowances including re-imbursement of expenses	Not Exceeding 75 % of the Remuneration	Not Exceeding 75 % of the Remuneration	Not Exceeding 75 % of the Remuneration
Commission	Not exceeding 2% of the Net Profits of the Company	Not exceeding 2% of the Net Profits of the Company	Not exceeding 2% of the Net Profits of the Company

The aggregate remuneration inclusive of salary, perquisite and commission payable to Chairman, Managing Director and Jt. Managing Director respectively shall always be subject to the overall ceiling laid down in section 198, 269, 309 and Section I of the part II of schedule XIII and other applicable provisions of the Companies Act, 1956. The company does not have a stock option Scheme and no sitting fees are paid to these Executive Directors.

Your directors recommend the resolution at item nos. 6, 7 and 8 for your approval as an Ordinary Resolution.

None of the directors other than Shri Ramniwas R Dhoot, Chairman; Shri Ajay R Dhoot, Managing Director; and Shri Aaditya R Dhoot, Jt. Managing Director are interested in passing of the resolution

The revised terms for remuneration, perquisites and allowances as set above may be treated as an abstract under Section 302 of the companies Act 1956.

Place: Mumbai

Dated: 31st October, 2009

For and on behalf of the Board
Ramniwas R Dhoot
Chairman

Corporate Information

47th Annual Report 2008-2009

BOARD OF DIRECTORS

Shri Ramniwas R Dhoot
Chairman

Shri Ajay R Dhoot
Managing Director

Shri Aaditya R Dhoot
Jt Managing Director

Shri R T RajGuroo
Non Executive Director

Shri Prashant J Pandit
Non Executive Director

Shri Jayant N Godbole
Non Executive Director

Shri Vishal Tulsyan
Non Executive Director (upto 24th August 2009)

Shri Krishan Kant Rathie
Non Executive Director (from 24th August 2009)

Shri J.P. Taparia
Non Executive Director

Shri Siby Antony
Additional Director (from 3rd July 2009)

COMPANY SECRETARY

Vyankatesh Mulwad

BANKERS

State Bank of Hyderabad

State Bank of India

Bank of India

The Karnataka Bank Ltd

SBI Commercial and International Bank Ltd

IDBI Bank Ltd

AUDITORS

Battiboi & Purohit

National Insurance Building,
204, Dadabhoy Naoroji Road, Fort,
Mumbai - 400 001

REGISTERED OFFICE

Survey No. 263/3/2/2, Sayli Village,
Umar Kuin Road,
Silvassa (U.T. D&NH) -396230

CORPORATE OFFICE

35/C, Popular Press Building,
2nd Floor, Pt. M M Malviya Road,
Tardeo, Mumbai - 400034

MUMBAI WORKS

85, Government Industrial Estate,
Kandivali West,
Mumbai - 400067

Director's Report

During the year under review, the Company installed a state-of-the-art Impulse tester, a critical part of the type-test set-up, which would enable it to provide accurate results to its clients, within its premises. Your Company's net sales increased by 41.9%, from Rs. 134.28 cr. in 2007-08 to Rs. 190.60 cr. in 2008-09. Your Company exported products worth Rs. 6.67 cr.

Dear Members,

Your Directors have pleasure in presenting their 46th Annual Report on the business and operations of the Company and Audited Accounts for the Financial Year ended 30th June, 2009.

FINANCIAL RESULTS AND APPROPRIATIONS

	(Amount in Rs. lac)	
	Year ended 30th June, 2009	Year ended 30th June, 2008
Sales	19,060.80	13,428.84
Other Income	62.63	49.68
Total Sales and Other Income	19,123.43	13,478.52
Profit before Interest and Finance Charges, Depreciation & Taxation	3,283.88	2,239.07
Less : Interest and Finance Charge	774.38	550.45
Less : Depreciation	256.77	169.20
Profit before Taxation	2,252.73	1,519.42
Less: Provision for Taxation		
• Current	609.78	363.99
• Deferred	59.15	95.99
• Fringe Benefit Tax	11.74	10.77
Profit After Tax	1,572.06	1,048.67
Extra ordinary item	-	113.08
Net Profit	1,572.06	935.59
Earning per share Before extra ordinary items -Basic	20.52	13.16
Diluted	20.52	13.56
Earning Per Share After extra-ordinary Items Basic	20.52	11.48
Diluted	20.52	12.09

Note: Previous year figures have been regrouped /rearranged wherever necessary.

OPERATIONAL PERFORMANCE:

The year 2008-09 witnessed one of the biggest economic meltdown globally. While the recession intensified in the advanced economies, emerging economies were also hit by the break down in external demand, commodity prices and drying out of capital inflows. The situation was further aggravated by capital outflows from these countries. Like all emerging economies, India too has been affected by the crisis which is much more than what was expected earlier. After having grown at a rate of more than 9% in the last three years, the Indian economy registered a growth of less than 7% in 2008-09. In such challenging times, your Directors are pleased to inform that for the Financial Year ended 30th June, 2009, your Company continued its growth momentum. The year witnessed the completion of the first phase of your Company's expansion plans, increasing its capacity from 3,600 MVA to 7,000 MVA. The year 2008-09 also marked the Company's entry into manufacturing higher grades of transformers. During the year under review, the Company also installed a state-of-the-art Impulse tester, a critical part of the type-test set-up, which would enable it to provide accurate results to its clients, within its premises.

Your Company's net sales increased by 41.9%, from Rs. 134.28 cr. in 2007-08 to Rs. 190.60 cr. in 2008-09. Your Company exported products worth Rs. 6.67 cr.

The Company's EBIDTA (Earnings Before Interest, Depreciation and Tax) increased by 46.7% to Rs. 32.84 cr. (from Rs. 22.39 cr.) and its net profit after tax (PAT) for the year has also registered an increase of 68%, from Rs. 9.36 cr. in 2007-08 to Rs. 15.72 cr. in 2008-09.

During the year, your Company received large orders from EPC Contractors and from various other state electricity boards and also bagged multiple orders from state-owned Power Grid Corporation of India (PGCIL). As a result it continued to expand its Private sector/EPC clientele.

FUTURE PROSPECTS

As a result of the Indian Government's huge plans to generate and distribute power, and also to substantially reduce T&D losses in the next decade, the demand for transformers will be buoyant in the next decade. To tap this huge opportunity Your Company has undertaken the expansion at its manufacturing facilities situated at Silvassa (U.T) from existing 7,000 MVA to 10,000 MVA in a phased manner. This will catapult your Company

into one of the top ten EHV and Power Transformers manufacturing companies in India.

DIVIDEND

With a view to conserve its resources for further investment in expansion projects, your directors have decided not to recommend any dividend on Equity Shares for the Financial Year ended on 30th June, 2009.

Changes in Capital Structure

During the Financial Year ended 30th June, 2009, the Paid up Equity Capital of the Company increased from 680.66 lac to 813.66 lac after the conversion of 1,50,000 warrants into Equity after the option exercised by Mangalam Laboratories Pvt Ltd., a promoter group company on 10th September, 2009 and conversion of 11,80,000 CCPS into Equity shares on to other than promoter group companies on 28th January, 2009.

DIRECTORS

The Board had appointed Mr. Siby Antony as an Additional Director with effect from 3rd July, 2009. Pursuant to the provisions of the Section 260 of the Companies Act, 1956 who holds the office up to the conclusion of ensuing Annual General Meeting. The Company has received a notice pursuant to Section 257 of the Companies Act, 1956 from a shareholder, proposing his candidature for the office of Director of the Company and he shall be liable to retire by rotation. IBEF & IBEF-I withdrew the nomination of Mr. Vishal Tulsyan and nominated Mr. Krishan Kant Rathi as Director on the board of IMP Powers Limited. The Board of Directors approved the appointment of Mr. Krishan Kant Rathi as Nominee Director with effect from 24th August 2009.

In accordance with the provisions of the Companies Act, 1956 and the Article of Associations of the Company, Mr. Prashant J. Pandit and Mr. R.T. Rajguroo, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- ☆ That in the preparation of the annual accounts for the Financial Year ended 30th June 2009 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ☆ They have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give

a true and fair view of the state of affairs of the company as on 30th June 2009 and of the profit and loss account of the Company for the year ended on that date;

☆ They have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956 to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;

☆ The annual accounts have been prepared on a going concern basis.

Auditors

M/s. Batliboi & Purohit, Chartered Accountants, Statutory Auditors of the Company, who hold office until the conclusion of the ensuing Annual General Meeting Mumbai, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received certificate from the auditors of the Company to the effect that their re-appointment, if made, would be in accordance with Section 224 (1B) of the Companies Act, 1956. The Board recommends their re-appointment.

AUDITORS' REPORT

The observations in the Auditors' Report read with the Notes to accounts are self-explanatory and do not call for comments.

CORPORATE GOVERNANCE

As required by the Clause 49 of the listing agreements entered with Bombay Stock Exchange and National Stock Exchange, where the shares of your Company are listed, Management discussion and Analysis Report, Corporate Governance Report, Auditor's Certificate on compliance of conditions of Corporate Governance are attached to

PARTICULARS OF EMPLOYEES

The details of the employee covered under provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended are as follows:-

Sr. No	Name	Designation	Age	Qualification	Experience	Gross Remuneration
1	Mr. Ramniwas R Dhoot	Chairman	68	B.Com	44	61,98,403
2	Mr. Ajay R Dhoot	Managing Director	45	B.Com	25	62,77,095
3	Mr. Aaditya R Dhoot	Jt. Managing Director	41	B.Com	20	56,39,026

this Annual Report and forms an integral part of the Directors' Report.

CODE OF CONDUCT COMPLIANCE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, the declaration signed by the Jt. Managing Director regarding Code of Conduct Compliance for the Financial Year ended 30th June 2009 is annexed and forms part of the Directors' Report.

FIXED DEPOSITS

The Company has not accepted any Fixed Deposits from the public during the period under review.

Internal Control Systems and their adequacy

Your Company has in place adequate internal control systems commensurate with the nature of its business and the size of its operations. In fact by appointing Sharp and Tannan Associates as your Internal Auditor, the Company has strengthened its Internal Control System substantially.

INSURANCE

Properties and Assets of the Company are adequately insured.

HUMAN RESOURCES

Your Company recognises that people are its principal assets and that its continued growth is dependent upon the Company's ability to attract and retain quality people. Your Company has established full-fledged Human Resources Department which is entrusted with the responsibility of retaining and developing skills of the employees of the Company. Industrial relations at all divisions of the Company remained cordial during the year.

Information Pursuant To Section 217(1) (E) of the Companies Act, 1956

1. CONSERVATION OF ENERGY

(a) The steps taken for conservation of energy are given below:-

1. Closely monitoring use of heating ovens.
2. Use of energy efficient lighting & modernisation in distribution system.
3. Systematic studies of power consumption to avoid unwanted energy losses.
4. Close monitoring and control of Diesel / LDO consumption.
5. Awareness among employees to conserve energy

(b) Additional investment, if any being implemented for reduction of consumption of energy:-

1. New Power Transformer test bed installed.
2. New energy efficient ovens installed.
3. New energy efficient crane installed.

(c) Impact of the measures at (a) & (b) above for reduction of energy consumption & consequent impact on the cost of production of goods:-

The various measures taken by the Company have resulted in reduction in consumption of energy & efforts are going on to further reduce energy consumption & consequent impact on cost of production.

The details of foreign exchange income and outgo are as below: -

	2008-09	2007-08
Foreign Exchange Earning	666.50	925.70
Foreign exchange expenditure -	311.00	360.1

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from the Shareholders, Financial Institutions, Banks, and Employees, Distributors, Suppliers and other business associates. To end up with the director's conveyed their appreciation for the continued co-operation and relentless efforts made by all the employees in the organisation.

For & on behalf of the Board

Date: 15th September, 2009

Place: Mumbai

(Ramniwas R Dhoot)

Chairman