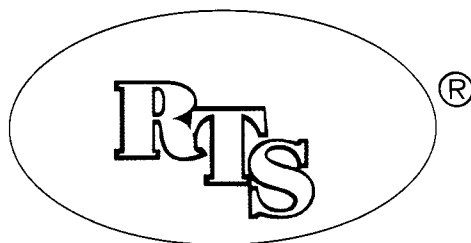
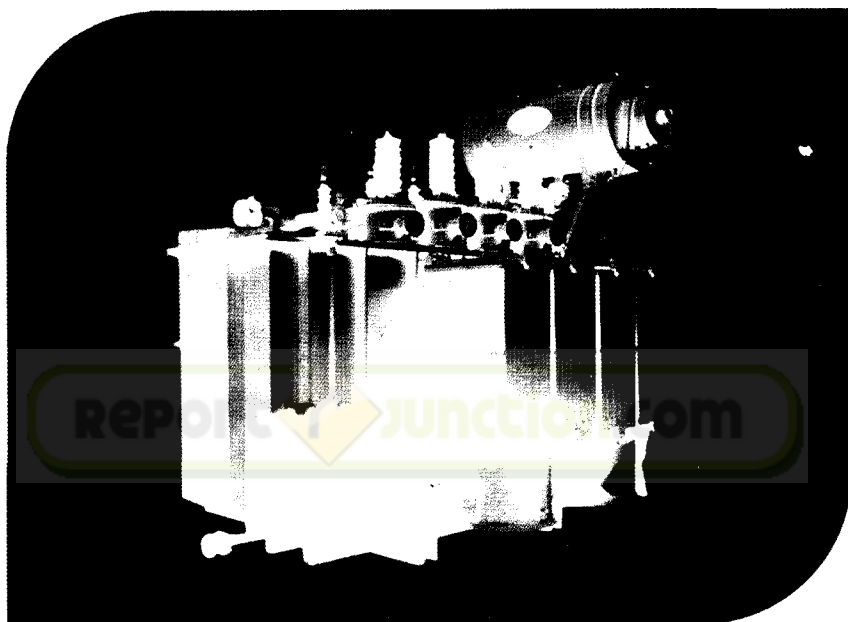
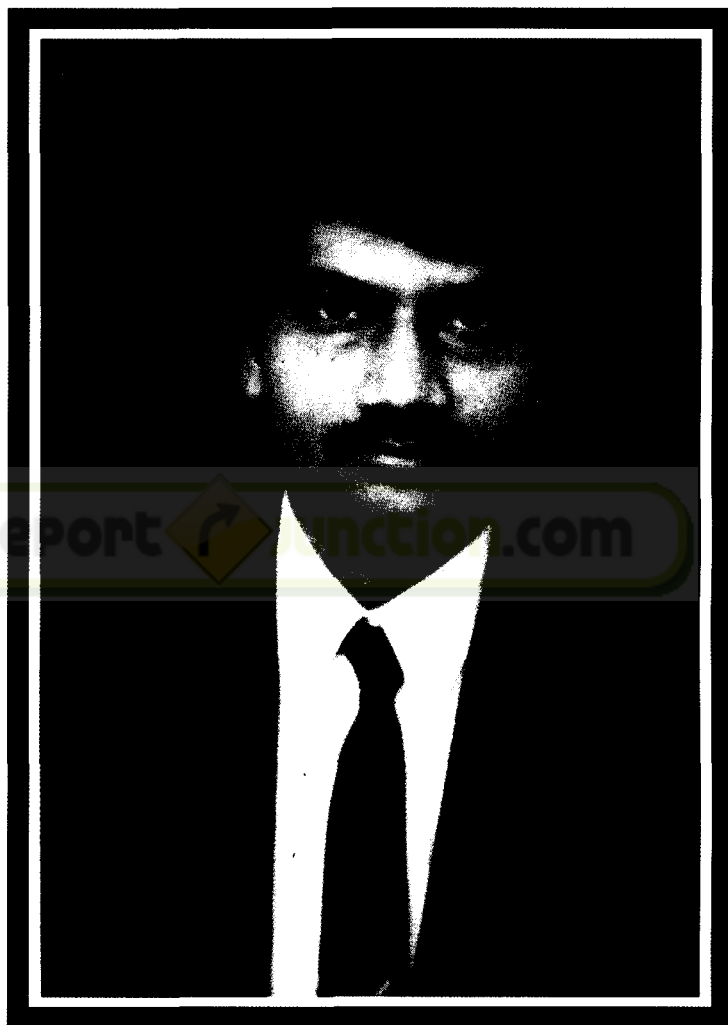


61st *Annual Report 2008-2009*



RTS POWER CORPORATION LIMITED

Mortal in Life - immortal memory



Late Surendra Bhutoria (1961-1995)

RTS POWER CORPORATION LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Sri Sardul Singh Jain	<i>Chairman</i>
Sri Rajendra Bhutoria	<i>Vice Chairman & Wholetime Director</i>
Sri Abhay Bhutoria	<i>Managing Director</i>
Sri Loon Karan Patawari	<i>Director</i>

COMPANY SECRETARY

Sri J. Biswas

AUDITORS

A. C. Bhuteria & Co.

Chartered Accountants

2, India Exchange Place (2nd Floor)

Kolkata - 700 001

BANKERS

The Bank of Rajasthan Limited, Jaipur

State Bank of Bikaner & Jaipur, Kolkata

Bank of Baroda, Jaipur

IDBI Bank Limited, Jaipur

Bank of India, Kolkata

REGISTERED OFFICE

56, Netaji Subhas Road (2nd Floor)

Kolkata - 700 001

Phone : (033) 2242-6025, 2242-6054

Fax : (033) 2242-6732

E-mail : rtspower@vsnl.net

PLANTS

1. Rajasthan Transformers & Switchgears (Power & Distribution Transformers Unit), C-174, VKI Area Chomu Road, Jaipur - 302013, Rajasthan
2. Rajasthan Transformers & Switchgears (132KV Extra High Voltage Transformers Unit), E-345/346, VKI Area, Road No. 16 Jaipur - 302013, Rajasthan
3. Rajasthan Transformers & Switchgears (Power & Distribution Transformers Unit), Near 14 Km Milestone P. O. - Artoni, Mathura Road Agra - 282007, U.P.
4. RTS Power Corporation Limited (Power & Distribution Transformers Unit) 130, Dharmatolla Road Salkia, Howrah - 711 106, West Bengal
5. RTS Power Corporation Ltd. (Power & Distribution Transformers Unit) Jala Dhulagori, Sankrail, Dhulagori Howrah - 711 302, West Bengal
6. RTS Power Corporation Limited (Oil Unit) A-25, 26 RIICO Industrial Area Chomu Road, Kaladera, Jaipur, Rajasthan
7. RTS Power Corporation Limited (Wind Energy Division) Dhule - Maharashtra

REGISTRAR & SHARE TRANSFER AGENT

Niche Technologies Private Limited

D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata - 700 001

Phone : (033) 2234-3576, 2235-3070/7270/7271

RTS POWER CORPORATION LIMITED |

NOTICE

NOTICE is hereby given that Sixty First Annual General Meeting of Shareholders of the Company will be held at Hotel Lindsay, 8B Lindsay Street, Kolkata - 700087 on Wednesday, 16th day of September, 2009 at 10.00 A.M. to transact the following business :

1. To receive, consider and adopt the Profit & Loss Account of the Company for the year ended 31st March, 2009 and the Balance Sheet of the Company as at that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri Loon Karan Patawari, who retires by rotation, and, being eligible, offers himself for re-appointment.
3. To declare a Dividend on Equity Shares.
4. To appoint Auditors and fix their remuneration and for this purpose to consider and, if thought fit, to pass, the following Resolution as an Ordinary Resolution with or without modification(s) :

"RESOLVED that pursuant to the provisions of Section 224 of the Companies Act, 1956, M/s. A. C. Bhuteria & Co., Chartered Accountants be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Audit Committee of the Board of Directors of the Company in consultation with them."

SPECIAL BUSINESS :

5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED that the Board of Directors of the Company be and is hereby authorized to appoint any person qualified for appointment as Auditors of the Company under Section 228 of the Companies Act, 1956, for auditing the Accounts of the Branch Offices of the Company, situated at Jaipur –Rajasthan , Agra-U.P and Dhule- Maharashtra for the Financial Year 2009-2010, in consultation with the statutory Auditors of the Company ,at a remuneration to be fixed by the Audit Committee of the Board of Directors of the Company in consultation with such person."

Registered Office :

56, Netaji Subhas Road

Kolkata – 700 001

Dated : 21st August, 2009

By Order of the Board

J. BISWAS*Company Secretary***Notes :**

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself /herself and a Proxy need not be a Member of the Company. Proxies in order to be effective must be received by the Company at its Registered Office not less than **48 hours before the Meeting**.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 10th day of September, 2009 to Wednesday, 16th day of September, 2009, both days inclusive.

RTS POWER CORPORATION LIMITED |||||

3. Members who hold Shares in physical form are requested to notify immediately any change of their addresses to the Company's Registrar & Share Transfer Agent, M/s. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata-700001 so that future communications can be correctly despatched.
Mr. J. Biswas, Company Secretary is the Compliance Officer in terms of Clause 12B of the Listing Agreements with the Stock Exchanges. Members may communicate with the Compliance Officer in relation to any query pertaining to their shareholdings.
4. As per the provisions of the Companies Act, 1956 the facility for making nominations is available to the Members in respect of their Shares in the Company. Nomination Forms can be obtained from the Company's aforesaid Registrar & Share Transfer Agent in case they hold their Shares in physical form. If they are holding the Shares in dematerialized form, they may contact their respective Depositories for such nomination.
5. Members holding more than one Share Certificate in the same name and in the same order of names, but under different Ledger Folios, are requested to apply for consolidation of such Folios and send their all relevant Share Certificates to the Company's aforesaid Registrar and Share Transfer Agent by Registered Post at the earliest to facilitate better service in case they desire to continue to hold Shares in physical form in the Company. The Registrar and Share Transfer Agent will return the Share Certificates after due consolidation similarly by Registered Post.
6. The Company has signed Agreements with National Securities Depository Limited and Central Depository Services (India) Limited for Dematerialization of the Company's Shares. These facilities are now operational since 13th February 2001 and members are requested to avail of the same. Demat ISIN No allotted by NSDL and CDSL is INE005C01017.
7. Members who hold Shares in physical form are requested to inform the Company's aforesaid Registrar and Share Transfer Agent their Income Tax Permanent Account Number (PAN) /General Index Register Number (GIR), if any, allotted to them by the Income Tax Authorities.
8. Members holding Shares in physical form are requested to note that, in order to avoid any loss / interception in postal transit and also to get prompt credit of Dividend, they may provide details of their Bank Account quoting their Folio Numbers to the R&T Agent to enable them to print such details on the Dividend Warrants.
9. Members holding Shares in electronic form may please note that their Bank details as furnished by the respective Depositories to the Company will be printed on their Dividend Warrants as per the applicable Regulations of the Depositories and the Company will not entertain any direct request from such Members for change / deletion in such Bank details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to the Dividend paid on Shares held in electronic form. Members may, therefore, give instructions regarding Bank Accounts in which they wish to receive Dividend, directly to their Depository Participants.
10. **Members are requested to produce the accompanying Attendance Slip at the entrance of the Meeting Hall and bring their copies of the Annual Report to the Meeting as extra copies will not be possible to be supplied. Members who hold shares in Dematerialized form are requested to indicate without fail their DPID and Client ID Numbers on the Attendance Slip.**
11. **Members intending to require information or clarifications /explanations on any matter regarding Accounts at the Meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.**
12. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item No. 5 under Special Business is annexed hereto.

RTS POWER CORPORATION LIMITED |||||

BRIEF PROFILE OF DIRECTOR SEEKING REAPPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO THE CORPORATE GOVERNANCE CODE

Name of the Director	Sri Loon Karan Patawari
Age	74 years
Qualifications	Self Educated
Nature of expertise	He has been attached with the Company for last 58 years. He has vast experience in Finance & Accounts.
Date of First Appointment	20.02.1985
Name of the companies in which he holds Directorship of Boards	Sara Securities Private Limited
Name of the companies in which he holds Membership of Committees of Board	NIL
Professional Membership	NIL

EXPLANATORY STATEMENT

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

Item No. 5

The Company has Branch Offices and Units at Jaipur-Rajasthan, Agra-U.P and Dhule – Maharashtra. M/s. N.C. Dhadda & Co., Chartered Accountants, were appointed the Branch Auditors for the Financial Year 2008-2009. It is proposed to reappoint M/s. N.C. Dhadda & Co., Chartered Accountants as Branch Auditors for the Jaipur-Rajasthan, Agra-U.P. and Dhule-Maharashtra Offices and Units for the Financial Year 2009-2010.

The Shareholders' approval is, therefore, sought for the appointment of M/s. N.C. Dhadda & Co., Chartered Accountants as Branch Auditors of the Company's Branch Offices and Units at Jaipur-Rajasthan , Agra-U.P and Dhule-Maharashtra for the Financial Year 2009-2010 and to authorize the Audit Committee of the Board of Directors to determine the remuneration payable in consultation with them.

The Board of Directors recommends the Resolution for acceptance by the Members.

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

Registered Office :

56, Netaji Subhas Road

Kolkata – 700 001

Dated : 21st August, 2009

By Order of the Board

J. BISWAS*Company Secretary*

RTS POWER CORPORATION LIMITED |||||

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have the pleasure in presenting their 61st Annual Report on the business and operations of your Company and the audited Statement of Accounts of your Company for the year ended 31st March, 2009.

Financial Results

(Rs. in Lacs)

	2008-2009	2007-2008
Total Income	11673.41	10261.93
Total Expenditure	11362.48	9921.66
Profit Before Tax	310.93	340.27
Less : Provision for Current Tax	122.88	120.00
Deferred Tax	(9.00)	(0.16)
Fringe Benefit Tax	4.88	4.58
Income Tax for Earlier Year	—	(1.23)
Profit After Tax	192.17	217.08
Add : Profit brought forward	619.39	486.41
	811.56	703.49
Less : Interim Dividend	—	35.94
Corporate Dividend Tax on Interim Dividend	—	6.11
Proposed Dividend (Final)	35.94	35.94
Corporate Dividend Tax on Final Dividend	6.11	6.11
Balance Carried to the Balance Sheet	769.51	619.39

Dividend

Notwithstanding the decline in Profit of your Company compared to the last year as a result of current worldwide financial recession, the overall impact from which your Company too cannot escape, still the Board is pleased to recommend, after taking a positive future outlook, payment of a Dividend for the year ended 31st March, 2009 @ 5% or Re. 0.50 per Equity Share of Rs. 10/- each fully paid up as on that date, which, if approved at the forthcoming Annual General Meeting, will be paid to those Shareholders whose names appear on the Register of Members of the Company, or, appear as beneficial owners as per particulars to be furnished by the depositories, viz. National Securities Depository Limited and Central Depository Services (India) Limited, at the close of business on 9th September, 2009. The Dividend will be Tax-free in the hands of the Shareholders, but shall be subject to Tax thereon payable by the Company.

Operational Review

The Turnover of your Company showed a marginal improvement during the year. The Turnover during the year was Rs. 123.36 Crores against Rs. 110.71 Crores during the Previous Year. This is an improvement by 11.42% amidst keen competition and global financial crisis and the resultant recession in India.

The consolidation and cost cutting measures have enabled your Company to achieve this year the Profit Before Tax of Rs. 310.93 Lacs, which is less than the previous year's Profit Before Tax of Rs. 340.27 Lacs. Continuous abnormal price hike of the major raw materials both in India and abroad have caused hardship to your Company's activities to some extent and have ultimately contributed towards such squeeze in Profit. Your Company could perform well despite all such odds and adverse economic scenario.

RTS POWER CORPORATION LIMITED |

Production of Wound Core Type Single Phase Transformers started at your Company's main Factory at Jaipur has peaked up quite well and Orders are being executed. Operations at your Company's newly installed Cable and Conductor Plant have since been stabilized. Cable & Conductor sale has increased from Rs. 16,54,53,328/- in last year to Rs. 26,33,89,487/- in this year representing an increase of about 59% over last year. The Company developed Dry Type Transformer last year which are being manufactured now at its new Dhulagori Factory and regular Orders are also being received.

Future Outlook

A silver lining at the end of the tunnel is being seen as the cloud of the worldwide financial recession is slowly dispersing away, particularly in India. Thus after the second-half of the current Financial Year 2009-2010 things may look up as far as the business from Power utilities – both Government and Private, Power Project and Industrial Users are concerned. The increasing requirement of High Voltage Sub Stations provides a good opportunity for the growth of your Company. The Government of India's ambitious plan of electrifying each and every village in rural area will boost the demand of Distribution Transformers. Under Rajiv Gandhi Grameen Vidyutikaran Yojna allocation has been increased by 27% to Rs. 7,000 Crores in the Central Budget 2009/2010 of the Government of India. The Budget has given a boost of Rs. 2080 crores – a 160% rise from the previous fiscal – for the Accelerated Power Development and Reforms Programme (APDRP) to reduce the gap between power demand and supply. The Rs. 50,000 Crore APDRP aims to bring the Aggregate Technical and Commercial (AT&C) losses to less than 15% from 35% at present. Besides reducing AT&C losses, the scheme also intends to bring commercial viability in the Power Sector by reducing outages and interruptions. All these will help your Company to achieve increased business of its products in future.

Your Company's Cable and Conductor Unit is now fully operational. It will also boost the Turnover of your Company. The production of Wound Core Type Transformers has stabilized and the Company is receiving regular Orders.

The main operations of Salkia Unit have been shifted to Dhulagori Unit. Dhulagori Unit is now fully operational despite certain teething problems which are being addressed. The Salkia Unit for the time being will be mainly utilized for repairs and manufacture of smaller Transformers.

The cost of Project of Dhulagori Unit so far is approximately Rs. 318.91 Lacs. The source of finance is as follows :-

Term Loan	:	Rs.	80.87 Lacs
Own Funds	:	Rs.	238.04 Lacs
Total	:	Rs.	318.91 Lacs

Corporate Governance

A separate Report on Corporate Governance in format as prescribed in the Listing Agreement forms a part of the Annual Report of your Company and is being attached hereto, along with the Auditors' Certificate on its compliance. A report on Management Discussion and Analysis is also attached herewith.

Public Deposits

Your Company has not accepted any Deposit within the meaning of Section 58A of the Companies Act, 1956 and the Rules made thereunder.

RTS POWER CORPORATION LIMITED |||||

Particulars of Employees

There is no employee whose particulars are to be given pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

Energy Conservation, Technology Absorption & Foreign Exchange Earnings and Outgo

The monitoring and control of consumption of sources of energy like power, oil etc., continued to be a priority area of your Company. Energy conservation procedures also form an important part of your Company's operational practices.

Your Directors have nothing to report in the matter of Technology absorption.

Your Company has no export business and Foreign Exchange earnings this year. The Foreign Exchange outgo during this year was as follows :

1. Value of Imports calculated on CIF basis -

Raw Materials	Rs 724.31 lacs
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2. Expenditure in Foreign Currency -

Foreign Exchange Fluctuations	Rs 71.17 lacs
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Listing

Your Company's Shares continue to be listed on Calcutta and Bombay Stock Exchanges. Annual Listing Fees of both Bombay Stock Exchange and Calcutta Stock Exchange have been paid upto the year 2009-2010.

Directors

Sri Loon Karan Patawari, Director of the Company will retire by rotation and being eligible, offers himself for re-appointment.

Directors' Responsibility Statement

Your Directors confirm that :

1. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
2. the Directors have selected such Accounting Policies and applied them 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 at the end of the Financial Year and of the Profit of the Company for that period;
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Directors have prepared the Annual Accounts on a going concern basis; and
5. the Managing Director and the Chief Financial Officer of the Company have furnished the necessary certification to the Board on these Financial Statements as required under the revised Clause 49 of the Listing Agreements with the Stock Exchanges where the Equity Shares of the Company are Listed.

RTS POWER CORPORATION LIMITED |||||**Auditors**

M/s. A.C. Bhuteria & Co., Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and has been recommended by the Audit Committee of the Board of Directors for holding office till the conclusion of the next Annual General Meeting with a remuneration to be fixed by the aforesaid Committee in consultation with them.

Auditors' Report

The Auditors have expressed Qualifications in the Accounts for the Financial Year ended 31.03.2009 regarding delay in depositing the Interim Dividend amount of Rs 35,94,250/- in a separate Dividend Account in Bank beyond the time limit stipulated as per Section 205(1A) of the Companies Act, 1956. It is submitted that this took place due to inadvertence. The Management shall take due care in this regard in future.

The Auditors' Qualification as regards the Company having entered into transactions with M/s. Bhutoria Transformers & Rectifiers Private Limited, a Party covered in the Register maintained under Section 301 of the Companies Act, 1956, in excess of the limits of price and value approved by the Board of Directors and Central Government under Section 297 of the Companies Act, 1956, the Management submits that this took place due to inadvertence and necessary legal action will be taken in this regard.

Branch Auditor

Your Company has Branch Offices and Units at Jaipur-Rajasthan, Agra-U.P. and Dhule-Maharashtra. M/s. N. C. Dhadda & Co., Chartered Accountants, were appointed the Branch Auditors for the Financial Year 2008-2009. It is proposed to re-appoint M/s. N. C. Dhadda & Co., Chartered Accountants, as Branch Auditors for the Jaipur, Agra and Dhule Offices and Units for the Financial Year 2009-2010 at a remuneration to be fixed by the Audit Committee of the Board of Directors in consultation with them.

Appreciation

Your Directors take this opportunity to express their whole-hearted appreciation for the unstinted support and co-operation received from Banks, State Electricity Boards, Government and Semi Government Authorities, Power Utilities, other customers and Shareholders during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the devoted services that the Executives, Staffs and Workers at all levels have rendered to your Company.

Registered Office :

56, Netaji Subhas Road
Place : Kolkata - 700 001
Dated : 21st August, 2009

For and on behalf of the Board of Directors

S. S. Jain
Chairman