



POWER BEHIND POWER

BILPOWER LIMITED

Annual Report 2012 - 2013

Board of Directors

Mr. Suresh Kumar Choudhary
Mr. Rajendra Kumar Choudhary
Mr. Lalit Agarwal

Registered Office

201, Vikas Chambers,
Junction of Link & Marve Road,
Malad (West), Mumbai – 400 064
Tel – (91 22) 28885929
Fax – (91 22) 28811225
Email – investors@bilpower.com

Branch Office / Manufacturing Unit**Baroda Office**

19, R.C. Patel Industrial Estate,
Akota, Baroda – 390 020
Phone – (0265) 2344 773 / 2310 437
Fax – (0265) 2339 629

Baroda Unit

440 – 441 – 447, G.I.D.C. Industrial Estate,
POR, Ramangamdi, Baroda – 391 243
Phone – (0265) 2830 824
Telefax – (0265) 2830 929

Statutory Auditors**M/s Bansal Bansal & Co.,**

Chartered Accountants
6 / 120, Sanjay Building, Mittal Estate,
Andheri-Kurla Road, Andheri (East),
Mumbai – 400 059.

**Registrars & Share Transfer Agents for
Physical & Electronic Shares****M/s. System Support Services**

209, Shivai Industrial Estate, Near Logitech Park,
89 Andheri Kurla Road, Andheri (East),
Mumbai – 400 072.
Phone – (91 22) 2850 0835 (5 Lines)
Email : sysss72@yahoo.com

Main Bankers**State Bank of India**

Industrial Finance Branch
Natraj Building, 201, 1st Floor, 194,
Sir M.V. Road, Western Express Highway,
Andheri (East), Mumbai – 400 069.

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Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to update their email address with the Company or M/s. System Support Services (RTA), to enable us to send all the documents through electronic mode in future so as to conserve valuable resources.

NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of the Members of **BILPOWER LIMITED** will be held at IJMA, 1036/37/38, 10th Floor, IJMIMA Complex, Raheja Metroplex, Link Road, Behind Goregaon Sports Club, Malad (W), Mumbai – 400 064 on Monday, 30th September, 2013 at 11.00 a.m. to transact, with or without modification(s), as may be permissible, the following business:

ORDINARY BUSINESS: –

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date together with the reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Rajendra Kumar Choudhary, who retires by rotation and being eligible offers himself for re-appointment;
3. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956 M/s. Bansal, Bansal & Co., Chartered Accountants, having firm registration number 100986W issued by the Institute of Chartered Accountants of India (ICAI), be and are hereby appointed as the Statutory 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, on such remuneration as may be fixed by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary to implement this resolution.”

SPECIAL BUSINESS: –

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:-**
“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 and 311, read with Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as 'the said Act' including any modification(s) or re-enactment(s) thereof for the time being in force), approval of members be and is hereby accorded for appointment of Mr. Suresh Kumar Choudhary as Whole-time Director of the Company for a period of three (3) years from 14th November, 2012 to 13th November, 2015.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in the current financial year of the Company, and as approved by the Remuneration Committee & Board of Directors of the Company at its meeting held on 14th November, 2012 and agreed upon by Mr. Suresh Kumar Choudhary, shall serve the Company on without any salary. The terms and conditions set out in the Explanatory Statement hereto.

RESOLVED FURTHER THAT taking into consideration the financials of the Company in future, the Board is at liberty to pay or modify any remuneration and perquisites as may be agreed, which shall be paid to Mr. Suresh Kumar Choudhary, Whole-time Director as minimum remuneration provided that the total remuneration by way of salary, perquisites and any other allowances shall not exceed the ceiling provided in Section II of part II of Schedule XIII or such other amount and perquisites as may be provided from time to time or any equivalent statutory re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:-**
“RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, Mr. Lalit Agarwal, who was appointed as an Additional Director pursuant to the provisions in Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company liable to retirement by rotation under the provisions of the Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

By Order of the Board of Directors,
For Bilpower Limited
Suresh Kumar Choudhary
Chairman

Mumbai, 13th August, 2013

Registered Office:-

201, Vikas Chambers, Junction of Link & Marve Road, Malad (West), Mumbai - 400 064

NOTES:-

- a. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the business under item no. 4 & 5 is annexed hereto.
- b. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY/PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- c. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
- d. The Company has notified closure of register of members and transfer books from 26th September, 2013 to 30th September, 2013 (both days inclusive) for the Annual General Meeting of the Company.
- e. Members holding shares in Physical form are requested to notify change of address, if any, to Registrar and Share Transfer Agents and those who hold shares in dematerialized form are requested to notify to their Depository participants their change in address.
- f. As per the provisions of the Companies Act, 1956, facility for making nomination is available to the shareholders in respect of the Shares held by them. Nomination Forms can be obtained from the registrar and share transfer agents of the Company.
- g. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their



- respective copy of the Annual Report to the Meeting and affix their signature at the place provided on the attendance slip annexed to the Proxy form and hand over the slip at the entrance to the place of the Meeting.
- h. Non – Resident Indian Members are requested to inform the Company's registrar and share transfer agents M/s. System Support Services immediately of -
 - a. The change in the residential status on return to India for permanent settlement.
 - b. The particulars of the bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
 - i. Relevant documents referred to in the accompanying Notice and Explanatory Statements are open for inspection at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. up to the date of the 24th Annual General Meeting.
 - j. As per the provisions of the Section 205C of the Companies Act, 1956, unclaimed dividend for the year 2005-2006 will be transferred to Investors Education and Protection Fund on or before 27th October, 2013. Shareholders who have not claimed Dividend for the year 2005-2006 are requested to claim the dividend on or before 27th October, 2013. Members wishing to claim dividends, which remain unclaimed, are requested to correspond at the Company's registered office.

Explanatory Statement

As required under Section 173(2) of the Companies Act, 1956:-

Item No.4:

The Board of Directors of the Company at its meeting held on 14th November, 2012 had appointed Mr. Suresh Kumar Choudhary as the Whole-time Director of the Company for a period of 3 years with effect from 14th November, 2012 in terms of Sections 198, 269, 309, 310 and 311 of the Companies Act, 1956 (the Act) read with Schedule XIII to the Act.

The Board is of the view that Mr. Suresh Kumar Choudhary has vast experience and knowledge and his appointment as the Whole-time Director on terms & conditions as mentioned below including remuneration, will be in the interest of the Company.

The proposed remuneration payable to Mr. Suresh Kumar Choudhary is as follows:

SALARY – Nil

PERQUISITES AND ALLOWANCES:

CATEGORY A

Housing: Director shall be entitled to house rent allowance of ₹ 5000 per month, which will be suitably increased by the Board of Directors, if required.

Medical Reimbursement / Medical Insurance: Reimbursement of all medical expenses for self and family as per the policy of the Company. Medical insurance premium shall be paid by the Company.

Personal Accident Insurance: Personal accident insurance as per the policy of the Company.

Entertainment Expenses: Reimbursement of entertainment expenses on actual basis incurred during the course of the business.

Club Fees: Fees of clubs exclusive of admission and life membership fee subject to a maximum of two clubs.

CATEGORY B

The contribution to Provident fund, superannuation fund, gratuity or annuity fund, if any, and if introduced by the Company will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

CATEGORY C

Car with chauffeur for official use, telephones, Internet and fax facility at residence.

The terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors as it may in its discretion deem fit, within the maximum amounts payable to Director in accordance with Schedule XIII to the Act, or any amendments made hereafter in this regard.

Brief resume with the nature of expertise in specific functional areas and name of the other Companies in which Mr. Suresh Kumar Choudhary is holding directorships and the Chairmanships/ Memberships of Committee of the Board are given in the Corporate Governance section of the Annual Report.

The extracts of remuneration given above shall be deemed to be the extract of remuneration required to be furnished under Section 302 of The Companies Act, 1956. Save and except Mr. Suresh Kumar Choudhary, being the recipient of remuneration and Mr. Rajendra Kumar Choudhary being the brother of Mr. Suresh Kumar Choudhary, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

The Board of Directors recommends resolution at Item No. 4 for your approval as a Special Resolution.

Item No.5:

The Board of Directors of the Company has appointed pursuant to the provisions of Section 260 of the Companies Act, 1956 (The Act), Mr. Lalit Agarwal as an Additional Director of the Company with effect from 14th November, 2012.

In terms of the provisions of Section 260 of The Companies Act, 1956 Mr. Lalit Agarwal would hold office up to the date of this Annual General Meeting.

The Company has received a notice in writing from a member proposing the candidature of Mr. Lalit Agarwal for the office of Director of the Company under the provisions of Section 257 of the Act.

The Board of Directors recommends resolution at Item No. 5 for your approval as an Ordinary Resolution.

Save and except Mr. Lalit Agarwal, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

By Order of the Board of Directors,
For Bilpower Limited
Suresh Kumar Choudhary
Chairman

Mumbai, 13th August, 2013

Registered Office:-

201, Vikas Chambers,
Junction of Link & Marve Road,
Malad (West), Mumbai - 400 064

DIRECTORS' REPORT

Dear Members,

The Directors of your Company have pleasure in presenting Twenty Fourth Annual Report together with the Audited Accounts and Auditors' Report for the year ended 31st March, 2013.

1. Financial Performance:

The financial performance of the Company for the year ended 31st March, 2013 is as summarized below:-

(₹ in Lacs)

Particulars	2012-2013	2011-2012
Gross Turnover & Other Income	3769.49	36079.27
Profit before Exceptional Item, Interest, Depreciation & Taxation	(1246.12)	831.60
Less- Exceptional Item (Provision for Doubtful Debts)	755.79	580.12
Profit before Interest, Depreciation & Taxation	(2001.91)	251.48
Less – Interest	2268.91	2065.49
Profit / Loss before Depreciation & Taxation	(4270.82)	(1814.01)
Less – Depreciation	42.40	46.07
Profit / Loss before tax	(4313.22)	(1860.08)
Less– Provision for Taxation (Incl. Deferred Tax)	(122.42)	(1.58)
Net Profit / Loss for the year	(4190.80)	(1858.50)
Add – Surplus brought forward from previous Year	(171.91)	1686.59
Profit available for Appropriations	(4362.71)	(171.91)
Appropriations:-		
Transfer to General Reserve	-	-
Proposed Dividend	-	-
Balance Carried to Balance Sheet	(4362.71)	(171.91)

2. Performance Review: For the year 2012-13, the Turnover of the Company has decreased and stood at ₹ 3536.07 Lakhs and Net Loss incurred is ₹ 4190.80 Lakhs. The substantial loss has resulted due to lower capacity utilization, falling margins and higher cost of finance.

3. Dividend: Your Directors do not recommend any dividend for the year under review in view of losses incurred.

4. Directors: Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Lalit Agarwal was appointed as an Additional Director of the Company with effect from 14th November, 2012 and would hold Office up to the date of ensuing Annual General Meeting.

Mr. Rajendra Kumar Choudhary, Director, retire from the Board by rotation and being eligible has offered himself for re-appointment at the ensuing Annual General Meeting. The Notice convening the Annual General Meeting includes the proposal for his re-appointment.

The Board is of the view that Mr. Suresh Kumar Choudhary has vast experience and knowledge and his appointment as the Whole-time Director on terms & conditions as mentioned above including remuneration, will be in the interest of the Company. So the Remuneration Committee & Board of Director at meetings held on 14th November, 2012 have approved the appointment of Mr. Suresh Kumar Choudhary subject to approval of shareholders at ensuing Annual General Meeting for a tenure of three (3) years with effect from 14th November, 2012 on terms and conditions as stated in the explanatory statement annexed to Notice of the Annual General Meeting.

The Company has received notices in writing from members proposing the candidature of above directors.

Brief resumes of the above Directors, nature of their expertise in specific functional areas and their shareholding in the Company, as stipulated under Clause 49 of the Listing Agreement are given in the Report on Corporate Governance forming part of the Annual Report.

During the year Mr. Rajendra Kumar Choudhary resigned being the Whole Time Director of the Company with effect from 14th November, 2012. However, Mr. Rajendra Kumar Choudhary holds position as Non Executive Director of the Company. Mr. Naresh Kumar Choudhary & Mr. Mrugen Shah, Directors have resigned with effect from 12th December, 2012 & 12th February, 2013 respectively. Your Directors wish to place on records their sincere appreciation for the invaluable services rendered by them during their tenure as Directors.

5. Bonus Issue: During the year your Company has issued 10500800/- fully paid up bonus Equity Shares of ₹ 10/- each in the ratio of 1:1 on 08th October, 2012. Consequently the Issued and Paid up Equity Shares Capital of the Company has increased from ₹ 105008000/- to ₹ 210016000/-

6. Directors' Responsibility Statement: Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, the Directors, to the best of their knowledge and belief, confirm that:

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed and that there are no material departures from the same;
- Appropriate accounting policies have been selected and applied consistently and such judgments & estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the Profit / loss of the Company for the accounting year ended on that date;
- Proper & sufficient care has been taken 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 & detecting fraud and other irregularities and;
- The annual accounts of the Company have been prepared on a going concern basis.

7. Auditors: The present Statutory Auditors of the Company, M/s. Bansal Bansal & Co, Chartered Accountants, Mumbai, having firm registration number 100986W issued by the Institute of Chartered Accountants of India (ICAI), retire as Statutory Auditors at the conclusion of this Annual General Meeting. They are eligible for re-appointment and the Company has received a Certificate from them stating that their re-appointment, if made, would be within the limits under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for such an appointment within the meaning of sub-sections (3) and (4) of Section 226 of the Companies Act, 1956. Their reappointment is recommended by the Board.

8. Auditors' Report:

As regards Auditor's remarks in the Audit report, comments of the Board of Directors are as under:

- The financial statements of the company have been prepared on a going concern basis, notwithstanding the fact that its net worth is substantially eroded due to high losses for the financial years 2011-2012 and 2012-2013. The appropriateness of the said basis is interalia dependent on the company's ability

to infuse requisite funds for meeting its obligations, rescheduling of debt and resuming normal operations.

The above Auditors remarks are self explanatory.

- 2) The company has sent letters to customers in respect of trade receivables for confirming balances outstanding as at March 31, 2013, but in most of the cases the customers have not sent written confirmation confirming the balance outstanding as at March 31, 2013. In the absence of confirmation any provision to be made for adverse variation in the carrying amounts of trade receivables is not quantified.
The Company has sent balance confirmation letter as advised by the bank as on 31st March 2013 with a request to send confirmation letter directly to State Bank of India, but as informed by the State Bank of India in most of the cases confirmation have not been received by them. However the Board considers all outstanding balance of customers as on 31st March 2013 as good and recoverable and hence no provision has been made.
 - 3) Recognition of Deferred Tax Credit in contravention of Accounting Standard 22 on 'Accounting for Taxes on Income':-
The Company has recognised Deferred Tax Asset on account of unabsorbed losses and allowances during the year aggregating to ₹ 6848901.05 (For year ended March 31, 2012 – NIL)(Total amount recognised upto March 31, 2013 ₹ 6848901.05). This does not satisfy the virtual certainty test for recognition of deferred tax credit as laid down in Accounting Standard 22
The Company had incurred huge operational loss during the year under review and net worth had substantially eroded. In view of this the management had thought it appropriate and prudent not to make provision for deferred tax assets during the year.
 - 4) As regards Auditors' remarks in Annexure to their report under Item No. 1 (b) & 2 (a), with regard to physical verification report of fixed assets and inventories, the same are self explanatory;
 - 5) As regards Auditors' remarks in Annexure to their report under Item No. 7, with regard to report of internal audit, Company has in house internal audit system commensurate with the size and nature of its business and hence no formal audit report is available.
- 9. Cost Auditors:** The Ministry of Corporate Affairs (MCA) has introduced The Companies (Cost Accounting Records) Rules, 2011 published vide GSR 430(E) dated 03rd June, 2011 and Cost Audit order no. 52/26/CAB-2010 dated 24th January, 2012 which has become applicable to the Company with effect from the financial year 2011-12. Henceforth, the Company is required to maintain and keep cost records of all its units and branches. Further, the Company to which these rules apply would be required to submit a Compliance Report duly certified by a Cost Accountant, along with the Annexure to the Central Government in prescribed Form. In view of the above, based on the recommendations of Audit Committee, the Board of Directors at its meeting held on 4th June, 2012, had appointed Mr. Jayant J. Paleja, a Practising Cost Accountant, as Cost Accountant to issue the Compliance Certificate for the financial year 2012-2013 and at the Board meeting held on 29th May, 2013, has approved his appointment for conducting cost audit of the Company for the financial year 2013-14.
Necessary certificate and consent letter from the said Auditor has been obtained to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.
10. **Tax Provisions:** The Company has made adequate provisions as required under the provisions of Income Tax Act, 1961 as well as other relevant laws governing taxation on the Company.
 11. **Fixed Deposits:** During the year ended on 31st March 2013, the Company has not accepted any Fixed Deposit from public under Section 58A & 58AA of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.
 12. **Management's Discussion and Analysis Report:** A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management's Discussion and Analysis Report, which forms part of this Report as **Annexure – I**.
 13. **Corporate Governance:** We adhere to the principal of Corporate Governance mandated by the Securities and Exchange Board of India (SEBI) and have implemented all the prescribed stipulations. As required by Clause 49 of the Listing Agreement, a detailed report on Corporate Governance forms part of this Report as **Annexure II**. The Auditors' Certificate on compliance with Corporate Governance requirements by the Company is enclosed after the Corporate Governance Report.
 14. **Energy Conservation and Technology Absorption:** In view of the nature of business of the Company the information required under Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in Report of the Board of Directors) Rules, 1988 with respect to conservation of Energy, Technology absorption is not given as electricity purchased and consumption per unit of sales is not sizeable.
 15. **Foreign Exchange earnings and outgo:**
Your Company earned/spent foreign exchange as under during the year.
Earnings : ₹ Nil.
Outgo : ₹ 8.32 Lakhs
 16. **Particulars of Employees:**
There is no employee drawing remuneration which is in excess of the limits laid down in Section 217(2A) of the Companies Act, 1956.
 17. **Acknowledgement:**
The Board wishes to place on record its sincere appreciation for the assistance and co-operation received from Bankers, Government Departments and other Business Associates for their continued support towards the conduct of operations of the Company efficiently.
The directors express their gratitude to the shareholders for their continuing confidence in the Company. The directors also acknowledge the hard work and persuasive efforts put in by the employees of the Company in carrying forward Company's vision and mission.

On behalf of the Board of Directors,
For Bilpower Limited
Suresh Kumar Choudhary
Chairman

Mumbai, 29th May, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**Background:**

Bilpower is a "Power Engineering Solutions Company" primarily into the manufacturing of Transformers Cores & Lamination using Cold Rolled Grain Oriented (CRGO) steel. Our strength is sourcing CRGO in all grades. We guarantee the quality and losses for the transformers as required by our customers. We can process laminations utilizing the complete width of CRGO i.e. upto 1000 mm.

Indian Scenario:

In the year 2012-13, the Indian economy witnessed slowdown to 5%, which was lowest among the last 10 years figures. This was mainly due to global uncertainties, domestic challenges, low investment, delay in policy making, etc. This slowdown was seen in all major sectors of the economy which also includes power sector.

Indian Power Scenario:

As electricity is one of the most important input in the Industrial Sector, the development of the nation is generally compared by the per capita consumption of electricity. In the developing countries, the indicator cannot be related directly with the average development of the nation. The use of Electricity is basically in Industrial sector, Commercial & Residential lighting and Agriculture and Irrigation.

The infrastructure would need the availability of assured and quality power at affordable price through reliable and adequate generation, transmission and distribution facilities.

Your Company endeavors to utilize its full capacity so as to fulfill the increasing demands in the domestic market and earn profits in near future.

Operating Results of the Company:

The Financial Statements have been prepared in compliance with the requirements of the Companies Act 1956 and Accounting Standards (AS) notified by the Companies (Accounting Standard) Rules, 2006.

The salient features of the Company's performance are: –

- Total Sales of ₹ 3536.07 Lakhs.
- Net loss of ₹ 4190.80 Lakhs.

With a net worth of about ₹ 2781.07 Lakhs as on 31st March, 2013, Bilpower Limited considers itself poised to cater to increased demand in the power sector with a growth in the bottom line also. Concerned about the losses, the directors have waived their remuneration and presently, no director is drawing any remuneration from the company.

With a view to minimize the losses, the company has downsized the manufacturing operations and is presently carrying on the manufacturing activities from Baroda only. Further, the company has also increased the trading operations.

Outlook for the Company:

The management is hopeful that the company's business plan for the coming year would yield good results which will be better than the industry averages.

Internal Control and its adequacy:

The Internal audit was carried out by an independent firm of Chartered Accountants which conducts the audit on the basis of Annual Audit Plan. The process includes review and evaluation of effectiveness of the existing process, controls and compliance. It also ensures adherence to policies and systems and mitigation of the operational risk perceived for each area under audit. Significant observations including recommendations for improvement of the business process are reviewed by the Management before reporting to the Audit Committee which reviews the Internal Audit procedures, findings and status of implementation of the agreed action plan.

Human Resources:

Your Company strongly believes that employees are central to the Company's transformation agenda and that it is important to build capabilities of employees to handle both current and future needs. During the year, the Company continued to work on identifying the needs of employees across all categories and level. The Company has built a strong team of qualified and competent professionals to meet the emerging business challenges and market competition.

Risk and Concerns:

The Company has to mainly depend on the foreign suppliers for import of Electrical Steel. Any delay in procurement of the same would impact the financials of the Company. Further, fluctuations in the prices of Electrical Steel would also have an impact on the bottom line of the Company.

Cautionary Statement:

Statements in the Management Discussion and Analysis, describing the Company's objectives, projections and estimates, are forward-looking statements and progressive within the meaning of applicable security laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government policies and other incidental/related factors.

On behalf of the Board of Directors,
For Bilpower Limited
Suresh Kumar Choudhary
 Chairman

Mumbai, 29th May, 2013

REPORT ON CORPORATE GOVERNANCE

(As required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve Company's objective of maximizing stakeholders' value and discharge of social responsibility. The Corporate Governance structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees etc.

The Company has adopted the requirements of Corporate Governance under Clause 49 of the Listing Agreement, the disclosure requirements of which are given below:



Mandatory Requirements:-

1. Company's Philosophy on Corporate Governance:-

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximizing value for all its stakeholders.

2. Board of Directors (Board):-

a) Board Composition:-

The Board of the Company should consist of optimum combination of Executive, Non Executive – Independent Directors, which should be in conformity with the requirement of Clause 49 of the Listing Agreement with Stock Exchanges. However, after the resignation of one Independent Non-executive Directors in the month of February, 2013, the Company, in accordance with the provisions of Clause 49(l) (C) (iv) of the Listing agreement, is in process of conforming to the said clauses within the stipulated period mentioned therein.

The present strength of the Board is Three (3) Directors, comprising of Chairman –Whole Time Director; one Promoter Non – Executive Director; one Independent & Non Executive Director. The Board Members possess the skills, expertise & experience necessary to guide the Company.

Name of Director	Category of Directorship	Designation
Mr. Suresh Kumar Choudhary	Promoter Whole Time Director	Chairman
Mr. Rajendra Kumar Choudhary	Promoter Non – Executive	Director
Mr. Lalit Agarwal	Independent Non Executive	Additional Director

b) Board Meetings and attendance of Directors:-

During the financial year ended on 31st March 2013, Four (4) Board Meetings were held on the following dates: – 4th June, 2012, 14th August, 2012, 14th November, 2012, and 12th February, 2013.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to discharge its responsibilities effectively and take informed decisions. Where it is not practicable to attach or send the relevant information as part of Agenda Papers, the same are tabled at the meeting or / and the presentations are made by the concerned managers to the Board. Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings.

The information as specified in Annexure IA to Clause 49 of the Listing Agreement is regularly made available to the Board, whenever applicable, for discussion and consideration.

The attendance at the Board Meetings held during the year and attendance at the last Annual General Meeting, number of directorships in other Public Limited companies and membership in committees across various companies of which the Director is a Member / Chairman are given below:-

Name of Directors	No. of Board Meetings Attended	Attendance at last AGM held on 24th September, 2012	# Directorship held in other Companies	Committee Memberships / Chairmanships	
				Membership	Chairmanship
Mr. Suresh Kumar Choudhary	2	Absent	- Bil Energy Systems Limited - Nik-san Engineering Company Limited - Choudhary Global Limited	- - -	- - -
Mr. Rajendra Kumar Choudhary	4	Present	- Bil Energy Systems Limited - Tarapur Transformers Limited - Choudhary Global Limited	7 - -	2 - -
**Mr. Lalit Agarwal	1	Absent	None	1	2
*Mr. Naresh Kumar Choudhary	2	Absent	- Tarapur Transformers Limited - Nik-san Engineering Company Limited	- -	- -
*Mr. Mrugen Shah	3	Present	- Bil Energy Systems Limited - Tarapur Transformers Limited - Unibios Laboratories Limited	2 - -	5 - -

Excluding Private Companies and Companies under Section 25 of the Companies Act, 1956.

* Resigned as Director during the year.

** Appointed as an Additional Director on 14th November, 2012.

The necessary disclosures regarding Committee positions have been made by all the Directors. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all companies in which they are Directors. As per Clause 49 of the Listing agreement, for the purpose of reckoning the said limit, Chairmanship/ membership of the Audit Committee and the Shareholders' Grievance Committee alone shall be considered.

c) Information of Directors' Re-appointment:-

The profiles of Directors who are seeking re-appointment at the Annual General Meeting are furnished below:-

Mr. Suresh Kumar Choudhary aged – 56 years, designated as “**Chairman**” is a Bachelor of Commerce having to his credit, an experience of more than 32 years in the field of manufacturing of electrical lamination, distribution and power transformers, CT/PT Metering Sets. Mr. Suresh Kumar Choudhary is a Director in Bil Energy Systems Limited, Nik-san Engineering Company Limited and Choudhary Global Limited, which are associate companies. He is holding 1115366 equity shares of Bilpower Limited as on 31st March 2013.

Mr. Rajendra Kumar Choudhary aged 53 years, designated as “**Promoter – Director**”, has started his initial stint in trading and marketing of steel and allied products. He then along with his brothers, promoted Bilpower Limited. He has over 26 years of experience in the field of manufacturing of electrical lamination, distribution and power transformers, Motor Stamping and Banking & Finance. He is holding 765304 equity shares of Bilpower Limited as on 31st March, 2013.

Mr. Lalit Agarwal aged 48 years, designated as “**Non Executive Independent Director**” is a S.Y.B.com by qualification having an experience of over 25 years in the field of finance & accounts. He is not holding any equity shares of the Company.

Committees of the Board of Directors of the Company:-

3. Audit Committee:-

a) Composition and attendance:

The Audit Committee comprises of experts specializing in accounting / financial management. The Chairman of the Audit Committee is a Non-executive and Independent Director. The composition and attendance of Audit Committee is as follows:-

Name of the Members	Position	Category	Attendance
Mr. Lalit Agarwal	Chairman	Independent & Non Executive Director	1
* Mr. Mrugen Shah	Chairman	Independent & Non Executive Director	3
Mr. Rajendra Kumar Choudhary	Member	Promoter & Non Executive Director	4

* Resigned as Director during the year.

The Audit Committee is constituted in accordance with the provisions of Clause 49 of the Listing Agreement and the Companies Act, 1956. All the members of Audit Committee possess knowledge of corporate finance, accounts and Company law. However, after the resignation of an independent non-executive Director in the month of February, 2013, the Company, in accordance with the provisions of Clause 49(I) (C) (iv) of the Listing agreement, is in process of conforming to the said clause.

During the financial year 2012-13, Four (4) Audit Committee meetings were held as under:

04th June, 2012, 14th August, 2012, 14th November, 2012 and 12th February, 2013.

b) Power & Terms of Reference:

The power and terms of reference of the Audit Committee are as mentioned in Clause 49 II (C), (D) & (E) of the Listing Agreement entered into with the Stock Exchanges include overseeing the Company's financial reporting process, reviewing with the management the financial statements and the adequacy of the internal audit function and to discuss significant internal audit findings, statutory compliance issue and issues related to risk management and compliances. The Statutory Auditors are invited to the meeting.

4. Remuneration Committee:

a) Composition and attendance:

The composition of Remuneration Committee is as follows:-

Name of the Members	Position	Category
Mr. Lalit Agarwal	Chairman	Independent & Non Executive Director
Mr. Rajendra Kumar Choudhary	Member	Promoter & Director

During the financial year 2012-13, Two (2) Remuneration Committee meetings were held on 14th August, 2012 & 14th November, 2012.

b) Terms of Reference: –

The broad terms of reference of the committee are to appraise the performance of Chairman, Managing Director, Whole Time Directors and Chief Executive Officer, determine and recommend to the Board compensation payable to Chairman, Managing Director, Whole Time Directors and Chief Executive Officer. The Remuneration policy of the Company is based on review of achievements. The remuneration policy is in consonance with the existing industry practice.

c) Remuneration Policy:-

Subject to approval of the Board of Directors and subsequent approval by the members at the Annual General Meeting and such authorities as the case may be, remuneration of Chairman, Managing Director, Whole Time Directors, Chief Executive officer is fixed by the Remuneration Committee. The remuneration is decided by the Remuneration Committee taking into consideration various factors such as qualifications, experience, expertise, prevailing remuneration in the competitive industries and financial position of the Company etc.

The remuneration structure comprises of basic salary, perquisites, allowances (fixed component), and contribution to provident fund, in accordance with the provisions of the Companies Act, 1956.

5. Shareholders' / Investors' Grievance Committee:

a) Composition and attendance:

The Board has delegated the powers to approve transfer of shares etc. to this Committee. The composition and attendance of Shareholders' / Investors' Grievance Committee is as follows: –

Name of the Members	Position	Category	Attendance
Mr. Rajendra Kumar Choudhary	Chairman	Promoter & Director	1
Mr. Lalit Agarwal	Member	Independent & Non Executive Director	-

During the financial year 2012-13, One (1) Shareholders' / Investors' Grievance Committee meetings was held on 27th April, 2012.

b) Terms of Reference:

The Company has a Shareholders' / Investors' Grievance Committee, to look into redressal of Investors Complaints and requests such as delay in transfer of shares, non receipt of Dividend, Annual Report, revalidation of Dividend warrants etc.

The committee deals with various matters relating to –

- Transfer / transmission of shares.
- Issue of share certificate in lieu of lost, sub-divided, consolidated, rematerialized or defaced certificates.
- Consolidation / splitting of folios.
- Review of shares dematerialized and all other related matters.
- Investors' grievance and redressal mechanism and recommend measures to improve the level of investors' services.

The secretarial department of the Company and registrar and share transfer agents viz. System Support Services attend expeditiously to all grievances / correspondences of the shareholders / investors, received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies etc. The complaints are generally resolved within 15 days of receipt of letter, except in the cases that are constrained by disputes or legal impediment.

c) Information on Investor Grievances for the period from 01st April, 2012 to 31st March, 2013:

Brought Forward	Received Afresh	Disposed	Carried Over
Nil	2	2	Nil

d) Compliance Officer:

Mr. Rajendra Kumar Choudhary, Director is the compliance officer for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulation, 1992 and the Listing Agreements with the BSE & NSE.

6. Code of Conduct and Ethics for Directors and Senior Management:

The Company has laid down a code of conduct for all Board members and senior management personnel of the Company. A copy of the Code of conduct is available on the Company's website : – www.bilpower.com

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Whole Time Director is given below:-

“I hereby confirm that –

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct and Ethics for Directors and Senior Management in respect of the Financial Year 2012-13”

Suresh Kumar Choudhary
Whole Time Director

7. General Body Meetings:
a) Details of the last three Annual General Meetings of the Company is given below:

Financial Year	AGM	Date	Locations	Time	No. of Special Resolutions Passed
2009-10	21 st	30 th Sep., 2010	Goregaon Sports Club, Link Road, Malad (West), Mumbai – 400 064.	05.30 p.m.	Nil
2010-11	22 nd	30 th Sep., 2011	1 st Floor, Landmark Building, Mith Chowky, Link Road, Malad (West), Mumbai – 400 064	04.30 p.m.	1
2011-12	23 rd	24 th Sep., 2012	1 st Floor, Landmark Building, Mith Chowky, Link Road, Malad (West), Mumbai – 400 064	04.30 p.m.	1

b) There was no Extra Ordinary General Meeting held during the year under review
8. Subsidiary Company:

The Company does not have any Subsidiary Company in terms of Clause 49 (III) of the Listing Agreement and hence, it is not required to have an independent director of the Company on the Board of such Subsidiary Company.

9. Compliance with other mandatory requirements:
a) Disclosures:
i) Materially significant related party transactions:

There were no materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, directors or the management, their subsidiary or relatives etc. during the year, that may have potential conflict with interest of the Company at large.

ii) Disclosure of accounting treatment:

In the preparation of financial statements, the Company has followed the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India to the extent applicable.

iii) Disclosure of Risk Management:

The Company has laid down procedure to inform Board members about the risk assessment and minimization procedure. These would be periodically reviewed to ensure that executive management controls risks through means of a properly defined framework.

iv) CEO / CFO Certification:

In line with the requirements of Clause 49 (V) of the Listing Agreement, the Whole time Director of the Company has submitted the CEO/CFO Certification, certifying to the Board inter-alia that the Financial Statements and the Cash Flow Statements for the financial year ended on 31st March, 2013 were reviewed to the best of his knowledge and belief, that they do not contain any untrue statement, omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with applicable laws and regulations.

v) Statutory Compliance, Penalties and Strictures:

The Company has complied with all requirements of the Listing Agreements entered into with Stock Exchanges as well as applicable regulation and guidelines of SEBI. Consequently, there were no penalties imposed by either SEBI or the Stock Exchanges or any Statutory Authorities for non compliance of any matter related to the capital markets during last three years.

10. Means of Communication:

Quarterly / Half yearly financial results sent to each shareholder's residence.	No, but published in the newspapers
In which newspapers quarterly, half yearly & Annual results were normally published.	English: The Financial Express / The Free Press Journal Marathi: Mumbai Mitra / Aapla Mahanagar
Any website, where results or official news are displayed.	www.bseindia.com www.nseindia.com www.bilpower.com
Whether Management's Discussion & Analysis Report is a part of the Annual Report or not.	Yes, it is part of Annual Report As Annexure - I

II. General Shareholder Information:

a) 24th Annual General Meeting:

Date	30 th September, 2013
Venue	IJMA, 1036/37/38, 10 th Floor, IJMIMA Complex, Raheja Metroplex, Link Road, Behind Goregaon Sports Club, Malad (W), Mumbai – 400 064
Day and Time	Monday, 11 a.m.

b) Financial Calendar:

The Company follows the period of 01st April to 31st March, as the Financial Year.

For the Financial Year 2013-14, Financial Results will be announced as per the following tentative schedule.

1st Quarter ending June 2013	By 14th August, 2013
2nd Quarter & Half Year ending September 2013	By 14th November, 2013
3rd Quarter ending December 2013	By 14th February, 2014
4th Quarter / year ending March 2014	Within 60 days from 31st March, 2014
Annual General Meeting for the Year 2013-14	By September, 2014

c) Book Closure date:

Book Closure date	26th September, 2013 to 30th September, 2013 (both days inclusive)
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d) Listing:

The Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

e) Listing Fees to Stock Exchanges: –

The Company has paid the Listing Fees for the year 2013-14 to both the above exchanges.

f) Custodial Fees to Depositories:-

The Company has paid the custodial fees for the year 2013-14 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

g) Stock Code / Symbol:-

Bombay Stock Exchange Ltd. (BSE)	531590
National Stock Exchange of India Ltd. (NSE)	BILPOWER EQ
International Securities Identification Number (ISIN)	INE952D01018
Corporate Identity Number (CIN) Allotted by the Ministry of Corporate Affairs (MCA)	L51420MH1989PLC053772

h) Stock Market Price Data for the year 2012-13 in comparison to BSE Midcap Sensex:-

Month	BSE Share Price (₹)				NSE Share Price (₹)				BSE Midcap Sensex			
	Open	High	Low	Close	Open	High	Low	Close	Open	High	Low	Close
April – 12	71.95	73.50	53.25	53.65	69.05	72.00	55.85	55.85	6357.35	6512.72	6213.98	6315.85
May – 12	56.30	56.45	42.10	42.25	55.85	56.35	40.75	40.95	6343.48	6370.98	5802.33	5907.95
June – 12	43.75	62.40	38.65	60.85	42.95	61.95	38.20	61.25	5907.96	6156.07	5734.24	6153.72
July – 12	62.00	63.40	35.10	35.15	63.00	63.50	35.60	35.95	6169.76	6362.03	5877.38	6012.28
Aug – 12	36.80	37.95	29.15	32.40	36.80	38.45	29.00	32.50	6014.73	6208.92	5936.51	6005.02
Sep – 12	34.00	47.40	30.85	43.30	32.35	47.95	31.00	43.25	6008.33	6628.85	6004.87	6607.29
Oct – 12	43.30	47.20	19.35	20.15	43.95	47.50	19.40	20.10	6618.44	6778.70	6495.04	6565.99
Nov – 12	20.50	23.00	17.80	19.10	19.75	23.00	17.85	19.10	6569.64	6910.65	6530.06	6901.99
Dec – 12	19.35	21.25	11.95	11.95	19.70	20.45	11.85	11.85	6922.96	7157.66	6919.55	7112.89
Jan – 13	11.36	13.50	7.71	7.86	11.30	13.65	7.75	7.75	7123.32	7391.34	6831.14	6970.88
Feb – 13	8.00	8.29	5.85	6.82	7.75	8.30	5.85	6.80	6973.52	7016.83	6283.68	6302.78
Mar – 13	6.50	6.70	3.64	3.71	7.00	7.00	3.85	3.85	6312.99	6524.94	6022.77	6142.06

• Source : www.bseindia.com & www.nseindia.com

i) Registrar and Share Transfer Agent: –

Share transfers, dividend payment and all other investor related matters are attended to and processed by our Registrar and Share Transfer Agent viz. System Support Services.

System Support Services

209, Shivai Industrial Estate, Near Logitech Park, 89 Andheri Kurla Road, Andheri (East), Mumbai – 400 072.

Tel. No. 91 (22) 2850 0835 Email: [sysss72@yahoo.com](mailto:syss72@yahoo.com)

j) Share Transfer System: –

Presently, the share transfers received by the R&TA of the Company are processed and returned within a period of 15 days from the date of its receipt, subject to documents being valid and complete in all respect. The Board has delegated the authority for approving the transfers to the registrar & transfer agent subject to approval by Grievance Committee. Shareholders' Grievances and other miscellaneous correspondence on change of address, mandates, etc. received from Members are generally processed by R&TA of the Company within 15 days. The Company obtains from a Company Secretary in Whole-time Practice half yearly certificate of compliance with the share transfer formalities as required under clause 47 (c) of the Listing Agreement and files a copy of the certificate with BSE and NSE.

**k) Distribution of Shareholding as on 31st March, 2013:-**

Range of Shareholding	Number of Shareholders	% of Total	Number of Shares	% of Total
1 – 500	5610	76.73	888665	4.23
501 – 1000	791	10.82	633592	3.02
1001 – 2000	372	5.09	601890	2.87
2001 – 3000	148	2.02	377781	1.80
3001 – 4000	85	1.16	307523	1.46
4001 – 5000	60	0.82	284084	1.35
5001 – 10000	103	1.41	748530	3.56
10001 and above	142	1.94	17159535	81.71
Total	7311	100.00	21001600	100.00

l) Shareholding pattern (category wise) as on 31st March, 2013:-

Category	Number of Shares held	% of Total Shareholding
Promoters (Incl. Person Acting in Concert)	8920144	42.47
Financial Institutions / Banks	–	–
Insurance Companies	586340	2.79
NRI	57024	0.27
Bodies Corporate	5072977	24.16
Public	6365115	30.31
Total	21001600	100.00

m) Dematerialization of shares and liquidity:-

- About 99.58% of the shares have been dematerialized as on 31st March, 2013.
- Trading in the shares of the Company is permitted in dematerialized form only as per notification issued by SEBI.

n) Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and its impact on equity: – Nil**o) Unclaimed Dividend:**

Section 205 of the Companies Act, 1956, mandates that a Company has to transfer dividend, which has been unclaimed for a period of seven years, from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned as follows, if unclaimed within a period of seven years, will be transferred to IEPF.

Date of declaration of dividend	Dividend for the financial year	Due date of transfer
28.09.2006	2005-2006	27.10.2013
15.03.2007	2006-2007-Interim	14.04.2014
22.09.2007	2006-2007	21.10.2014
31.07.2008	2007-2008	30.08.2015
31.07.2009	2008-2009	30.08.2016
30.09.2010	2009-2010	29.10.2017
30.09.2011	2010-2011	29.10.2018

The Ministry of Corporate Affairs has vide notification dated 10th May, 2012 issued Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 and has mandated Companies to furnish information regarding unpaid and unclaimed amounts lying with companies alongwith particulars of names, address etc. of investors. In line with the same, your Company has furnished the information on MCA website as well as its own website i.e www.bilpower.com. You are requested to check the particulars and put up your claim for your amount lying unclaimed with the Company, to the Compliance officer of the Company or the Registrar and Share Transfer Agents.

p) Plant / Manufacturing Unit location:-

The Company's manufacturing unit is situated at 440-441 & 447, G. I. D. C. Industrial Estate, POR, Ramangamdi, Dist – Baroda, State – Gujarat.

q) Address for correspondence:-

The Compliance Officer,
Bilpower Limited,
201, Vikas Chambers, Jn. of Link & Marve Road, Malad (West), Mumbai – 400 064.
Email – investors@bilpower.com

Non Mandatory Requirements:-**a) Remuneration Committee:-**

Please refer item number 4 under Mandatory requirements.

b) Shareholder Rights:-

Company's quarterly financials are published in English newspaper having a wide circulation all over India and in a Marathi newspaper widely circulated in Mumbai. The quarterly results and limited review report thereon are also put on the Company's website www.bilpower.com. The same are not sent to the shareholders of the Company, individually.

By Order of the Board of Directors,
For Bilpower Limited
Suresh Kumar Choudhary
Whole Time Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**TO THE MEMBERS OF BILPOWER LIMITED**

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended on 31st March, 2013.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the condition of Corporate Governance Code. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that, such compliance is neither an assurance as to the further viability of the Company, nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Bansal Bansal & Co.
Chartered Accountants
Firm Regn. No. 100986W
Anand Drolia
Partner
Membership No. 036718

Mumbai, 29th May, 2013

INDEPENDENT AUDITORS' REPORT

To the Members of Bilpower Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of Bilpower Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion**1) With regard to the preparation of financial statements on going concern**

The financial statements of the company have been prepared on a going concern basis, notwithstanding the fact that its net worth is substantially eroded due to high losses for the financial years 2011-2012 and 2012-2013. The appropriateness of the said basis is inter alia dependent on the company's ability to infuse requisite funds for meeting its obligations, rescheduling of debt and resuming normal operations.

2) With regard to pending confirmation of balances

The company has sent letters to customers in respect of trade receivables for confirming balances outstanding as at March 31, 2013, but in most of the cases the customers have not sent written confirmation confirming the balance outstanding as at March 31, 2013. In the absence of confirmation any provision to be made for adverse variation in the carrying amounts of trade receivables is not quantified.

3) Recognition of Deferred Tax Credit in contravention of Accounting Standard 22 on 'Accounting for Taxes on Income'

The company has recognised Deferred Tax Asset on account of unabsorbed losses and allowances during the year aggregating to ₹ 6848901.05 (For year ended March 31, 2012 – NIL) (Total amount recognised upto March 31, 2013 ₹ 6848901.05). This does not satisfy the virtual certainty test for recognition of deferred tax credit as laid down in Accounting Standard 22

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matters described in the Basis for Qualified Opinion Paragraph*, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- in the case of the Profit and Loss Account, of the Loss for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- As required by section 227(3) of the Act, we report that:
 - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) *Except for the effects of the matters described in the Basis for Qualified Opinion Paragraph, in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;*
- e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause of Section 274(1)g of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Bansal Bansal & Co.
Chartered Accountants
Firm Regn. No. 100986W
Anand Drolia
Partner
Membership No. 036718

Mumbai, 29th May, 2013

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph I under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

1. In respect of fixed assets:
 - (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals. However such physical report has not been made available to us during the course of our audit. It is explained that no material discrepancy has been reportedly noticed on such verification.
 - (c) There was no substantial disposal of fixed assets during the year.
2. In respect of inventories:
 - (a) As explained to us that inventory has been physically verified during the year by the management. However such physical verification report has not been made available to us during the course of our audit. Hence we are unable to comment on the reasonableness of frequency and procedure of the verification of inventory. However, inventories have also been audited by independent auditors appointed by lending banks and also by bank officials from time to time and no adverse opinion has been given by the said auditors and officials.
 - (b) The Company has maintained proper book records of inventory. Packing and sample material and stores and spares purchased are written off as expenses in the year of purchase.
3.
 - (a) The Company has granted interest free unsecured loans, to three parties listed in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year end balance of such loans aggregate to ₹ 43274938/- and ₹ 25418367/- respectively.
 - (b) Except for the fact that these loans are interest free, in our opinion and according to the information and explanations given to us, the other terms and conditions of loans given are not prima facie prejudicial to the interest of the Company.
 - (c) The principal amount is repayable over a period of two years.
 - (d) In respect of the aforesaid loans, there is no overdue amount.
 - (e) The Company has taken interest free loans from two parties listed in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year end balance of such loans aggregate to ₹ 15361192/- and ₹ 15361192/- respectively.
 - (f) The said loans are interest free loans. The other terms and conditions of loans taken are not prima facie prejudicial to the interest of the Company.
 - (g) No stipulations for repayment have been prescribed and as such no comments regarding regularity of payments are being made.
4. In our opinion, and according to the Information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for sale of goods, keeping in view the close supervision and authorization by the directors. During the course of our audit, we have not observed any major weaknesses in internal control system.
5. In respect of contractor arrangements referred to in section 301 of the Companies Act, 1956
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of the contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of the contracts /arrangements entered in the Register maintained under section 301 of the Companies Act 1956 and exceeding the value of Rupees Five Lacs in respect of the each party during the year have been made at prices which are reasonable having regards to the prevailing market price at the relevant time.
6. As explained to us, during the year under reference the Company has not accepted any Deposits from the Public within the meaning of Provisions of Section 58A and 58AA of the Act and the rules framed thereunder. Therefore, the provision of clause (vi) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company
7. As explained to us, the Company has an internal audit system commensurate with the size and nature of its business, however, report of such internal audit has not been made available to us.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9.
 - a) Undisputed Statutory dues in respect of Service tax, Sales tax, Profession tax, Tax deducted at source and Wealth Tax have not been regularly deposited with the appropriate authorities. Undisputed statutory dues in respect of Provident fund, Customs, Excise Duty, Cess as applicable have generally been regularly deposited with the appropriate authorities barring few months.

- b) According to the information and explanations given to us:
- No amounts were outstanding as at year end on account of undisputed amounts payable in respect of investor education and protection fund, customs duty, excise duty and cess, service tax, tax deducted at source for a period of more than 6 months from the date they became payable.
 - Undisputed amounts payable in respect of Sales Tax of ₹ 3631813/- (relating to Financial year 2011-12 – ₹ 2211434/- & relating to financial year 2012-13 – ₹ 1420379/-), Interest on Sales Tax of ₹ 3112117/- (relating to Financial year 2010-11 – ₹ 1582310/- & relating to financial year 2011-12 – ₹ 1529807/-), Profession Tax ₹ 1400/- (relating to financial year 2012-13), Tax on Proposed Dividend of ₹ 1703492/- (relating to dividend paid in financial year 2011-12 for dividend declared pertaining to financial year 2010-11) and Wealth Tax ₹ 81925/- (relating to financial year 2008-09) were outstanding for a period of more than six months from the date they became payable. The due dates for these amounts are as per the respective statutes.
- c) The disputed statutory dues aggregating to ₹ 4427.78 Lacs that have not been deposited, on account of matters pending before appropriate authorities are as under :-

Sr. No.	Name of the Statute	Nature of dues	Period for which the amount relates	Forum where dispute is pending	Amt (₹ in Lacs)
1	Central Excise Act	Excise Duty	F.Y.2008-09 & F.Y.2009-10	The company's appeal has been dismissed by The Customs Excise & Service Tax appellate tribunal – Ahmedabad. The company has informed us that they will prefer an appeal with Gujarat High Court within the time allowed.	4171.80
2	Central Excise Act	Excise Duty	F.Y.2008-09 & F.Y.2009-10	The Customs Excise & Service Tax appellate tribunal – Ahmedabad	255.98
Total					4427.78

10. The Company's accumulated losses at the end of the financial year were more than fifty percent of its net worth. The Company has incurred cash losses in the financial year and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us by the management, the company has defaulted in repayment of loans and interest to bank. Delays were noticed in payment of interest and principal on several occasions during the year. Estimated unpaid overdues to bank as at March 31, 2013 are as per details given below:

Nature of loan	Due date	Principal amount overdue	Interest amount overdue	Total amount overdue
Working Capital Term Loan	31/12/2012	-	11437830	11437830
Funded Interest Term loan	31/12/2012	-	58237	58237
Cash Credit	31/12/2012	-	4861164	4861164
Working Capital Term Loan	31/01/2013	1000000	11532421	12532421
Funded Interest Term loan	31/01/2013	200000	1471635	1671635
Cash Credit	31/01/2013	-	4861164	4861164
Working Capital Term Loan	28/02/2013	1000000	10485233	11485233
Funded Interest Term loan	28/02/2013	200000	1343047	1543047
Cash Credit	28/02/2013	-	4390729	4390729
Total		2400000	50441460	52841460

12. According to the information and explanations given to us, no loans & Advances have been granted by the company on the basis of the securities by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provision of clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
14. In respect of the dealings in shares and other securities, proper records have been maintained and timely entries have been made therein. All these securities have been held by the company in its own name.
15. According to the information and explanation given to us the Company has given guarantee for loans taken by one Associate company from bank. According to the information & explanation given to us, we are of the opinion that the terms & conditions thereof are not prima facie prejudicial to the interest of the company.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has not raised any money by public issue during the year.
20. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For Bansal Bansal & Co.
Chartered Accountants
Firm Regn. No. 100986W
Anand Drolia
Partner
Membership No. 036718



BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in Lacs)

	Note No	As at 31 ST March 2013	As at 31 ST March 2012
I EQUITY AND LIABILITIES			
I Shareholders' Funds			
Share Capital	2	2100.16	1050.08
Reserves & Surplus	3	680.91	5921.79
		<u>2781.07</u>	<u>6971.87</u>
2 Non-Current Liabilities			
Long-Term Borrowings	4	3609.27	–
Deferred Tax Liabilities (Net)	5	–	68.49
Long Term Provisions	6	2.21	3.50
		<u>3611.48</u>	<u>71.99</u>
3 Current Liabilities			
Short-Term Borrowings	7	5897.25	11455.69
Trade Payables	8	2869.48	9385.71
Other Current Liabilities	9	9646.38	162.68
Short-Term Provision	10	17.03	17.03
		<u>18430.14</u>	<u>21021.11</u>
		<u>24822.69</u>	<u>28064.97</u>
II ASSETS			
I Non-Current Assets			
Fixed Assets	11		
Tangible Assets		515.74	554.95
Non-Current Investments	12	2089.79	2089.79
Long Term Loans and Advances	13	228.12	261.70
Other Non Current Assets	14	2.80	4.20
		<u>2836.45</u>	<u>2910.64</u>
2 Current Assets			
Current Investments	15	165.45	165.43
Inventories	16	789.58	2531.76
Trade Receivable	17	18509.44	17789.09
Cash and Cash Equivalents	18	52.20	936.13
Short Term Loans and Advances	19	2469.57	3731.92
		<u>21986.24</u>	<u>25154.33</u>
		<u>24822.69</u>	<u>28064.97</u>
Significant Accounting Policies	I		

As per our attached report of even date.

For Bansal Bansal & Co.
Chartered Accountants
Firm Regn.No. 100986W

Anand Drolia
Partner
Membership No. 036718
Mumbai: 29th May, 2013

For and on behalf of the Board

S.K. Choudhary
Whole-Time Director

R.K. Choudhary
Director
Mumbai: 29th May, 2013

(₹ in Lacs)

	Note No	As at 31 ST March 2013	As at 31 ST March 2012
I INCOME			
Revenue From Operations(Net)	20	3536.07	35612.10
Other Income	21	233.42	467.17
Total Revenue		<u>3769.49</u>	<u>36079.27</u>
II EXPENSES			
Cost of Materials Consumed	22	241.14	988.94
Stock-In-Trade Purchases	23	2776.73	32075.89
Change in Inventories	24	1762.42	1682.33
Employee Benefits Expenses	25	60.20	126.85
Finance Costs	26	2307.71	2327.43
Depreciation and Amortisation Expense	11	42.40	46.07
Other Expenses	27	136.32	111.72
Total Expenses		<u>7326.92</u>	<u>37359.23</u>
Profit/(Loss) Before Exceptional And Extraordinary Items and Tax		(3557.43)	(1279.96)
Exceptional Items	28	755.79	580.12
Profit/(Loss) Before Extraordinary Items And Tax		(4313.22)	(1860.08)
Extraordinary Items		-	-
Profit/(Loss) Before Tax		(4313.22)	(1860.08)
Tax Expenses			
Current Tax		-	-
Deferred Tax		(68.49)	(1.58)
Income Tax Earlier Years		(53.93)	-
		<u>(122.42)</u>	<u>(1.58)</u>
Profit/(Loss) for the Period		(4190.80)	(1858.50)
Nos of Equity Shares for Computing EPS			
Basic		21001600	10500800
Diluted		21001600	10500800
Earnings per Equity Share (Face Value ₹ 10/- Per Share):			
Basic (₹)		(19.95)	(17.70)
Diluted (₹)		(19.95)	(17.70)
Significant Accounting Policies	I		

As per our attached report of even date.

For Bansal Bansal & Co.

 Chartered Accountants
 Firm Regn.No. 100986W

For and on behalf of the Board
S.K. Choudhary
 Whole-Time Director

Anand Drolia

 Partner
 Membership No. 036718
 Mumbai: 29th May, 2013

R.K. Choudhary
 Director
 Mumbai: 29th May, 2013



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Lacs)

	As at 31 ST March 2013	As at 31 ST March 2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Exceptional and Extra Ordinary Items	(3557.43)	(1279.96)
Adjustment For –		
- Deferred Revenue Expenditure	1.40	2.10
- Depreciation	42.40	46.07
- Impairment Loss	37.06	–
- Loss on Sale of Assets	8.32	1.79
- Dividend on Long Term Investment	(1.16)	(2.20)
- Gain on Sale of Investments	(0.53)	(121.12)
- Balance Written off	0.37	–
- Loss on Foreign Currency Fluctuation	1.79	1.48
- Sundry Balance Written Back	(0.19)	(1.20)
- Excess Provision of Gratuity Written Back	(1.29)	(12.87)
- Bad Debts Written off	27.05	4.20
- Interest Income	(228.14)	(329.71)
- Interest Paid	2268.91	2065.49
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(1401.44)	374.07
Adjustment For –		
- Trade Receivable	(1449.38)	(4283.95)
- Inventories	1742.18	1809.07
- Short Term Loans and Advances	170.92	(95.50)
- Trade and Other Payables	(6533.28)	1560.27
Cash Generated From Operations	(7471.00)	(636.04)
Income Tax Refund	53.93	–
CASH FLOW FROM OPERATING ACTIVITIES	(7417.07)	(636.04)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(53.14)	(2.26)
Sale of Fixed Assets	4.56	2.42
Sale of Investments	180.53	121.12
Purchase of Investments	(180.02)	(108.23)
Interest Income	228.14	329.71
Movement in Loans and Advances	1071.20	827.66
Dividend on Long Term Investment	1.16	2.20
NET CASH USED IN INVESTING ACTIVITIES	1252.43	1172.62
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short Term Borrowing	(5558.44)	1493.50
Long Term Borrowing	11008.89	–
Interest Paid	(169.74)	(2065.49)
Dividend Paid	–	(105.01)
Net Cash From Financing Activities	5280.71	(677.00)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(883.93)	(140.42)
CASH AND CASH EQUIVALENT AT BEGINNING OF THE YEAR	936.13	1076.55
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	52.20	936.13

NOTES:

1. All figures in brackets are outflow.
2. Previous year's figures have been regrouped wherever necessary.
3. Cash and Cash Equivalent is Cash & Bank Balances as per Balance Sheet.

As per our attached report of even date.

For Bansal Bansal & Co.

Chartered Accountants
Firm Regn.No. 100986W

Anand Drolia

Partner
Membership No. 036718
Mumbai: 29th May, 2013

For and on behalf of the Board

S.K. Choudhary
Whole-Time Director

R.K. Choudhary
Director
Mumbai: 29th May, 2013

NOTES TO FINANCIAL STATEMENTS

I STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :-

A Basis of Preparation of Financial Statements

The financial statements are prepared as per historical cost convention and in accordance with the generally accepted accounting principles in India, the provisions of the Companies Act, 1956 and the applicable accounting standards issued by the ICAI.

B Use of Estimates

The preparation of financial statements requires use of estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liability on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and the estimates are recognised in the period in which the same identified/materialised.

C Fixed Assets

- (a) Fixed Assets including Leasehold Land are recorded at cost. The Company capitalises all costs relating to Fixed Assets acquisition, installation and other financing cost till commencement of commercial production. The company has stated its fixed assets net of CENVAT / Value Added Tax.
- (b) Capital Work in Progress is stated at the amount expended upto the date of Balance Sheet including pre operative expenditures, which is subsequently allocated to the relevant fixed assets on a pro-rata basis depending on the prime cost of the assets for new units.

D Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets till the asset is ready for its intended use. All other borrowing costs are charged to Revenue.

E Depreciation / Amortisation

- (a) Depreciation on additions to Assets is calculated Pro-rata from the date of such additions and similarly on deletion from assets is calculated pro rata upto the date of deletion. Depreciation in the case of uninstalled Fixed Assets is not provided.
- (b) Cost of Leasehold Land is amortized over the periods of Lease.
- (c) Depreciation on Fixed Assets except to the extent stated in (a) and (b) above, is provided on Straight Line method at the rates and in the manner prescribed in schedule XIV to the Companies Act, 1956.
- (d) Depreciation on assets, whose actual cost does not exceed Rupees Five Thousand each, is provided @ 100% p.a.

F Inventories

- (a) Inventories are valued at lower of cost or net realisable value.
- (b) Excise duty is added in closing inventory of finished goods.
- (c) Cost includes the Purchase Cost, Customs Duty, Transportation and Clearing, Forwarding Charges and Exchange Rate Fluctuation arising on account of imports, if any and in case of Work in Progress and Finished Goods, includes labour and other factory overheads absorbed at normal capacity level.
- (d) Waste & Scrap is valued at Net Realisable Value.
- (e) Packing materials and Stores & Spares purchased are written off as expense in the year of purchase.
- (f) NRV is the estimated selling price in the ordinary course of business.

G Foreign Exchange Transactions

- (a) Foreign Currency Transactions are expressed in Indian Currency at the rates prevailing on the date of transaction. All the Foreign Currency Liabilities / Assets as at the Balance Sheet date are restated at the applicable exchange rates prevailing at that date. However, in the cases where the Company had used foreign currency forward contract to hedge the risk associated with foreign currency fluctuations, the liabilities / assets as at the Balance Sheet are reinstated at the applicable forward contract rates.
- (b) Exchange differences arising on repayment of liabilities incurred for the purpose of acquiring fixed assets are adjusted with the carrying amount of the respective fixed assets.

H Employee Retirement Benefits

- (a) Provident Fund is a defined contribution scheme and the Company's contribution is charged to Profit & Loss account for the year to which the same relates.
- (b) Retirement benefits in the form of Gratuity and Leave encashment which are defined benefit plans are determined and accrued on the basis of an independent actuarial valuation and are recognized in Profit and Loss account of the year.
- (c) Short Term Employee Benefits are recognized as an expense in the Profit and Loss account of the year in which the related service is rendered.

I Taxation

- (a) Tax expenses for the year comprise of current tax and deferred tax. Current tax is measured after taking into consideration the deductions and exemptions admissible under the provision of Income Tax Act, 1961 and in accordance with Accounting Standard 22 on "Accounting for Taxes on Income", issued by ICAI.
- (b) Deferred Tax assets or liabilities are recognized for further tax consequence attributable to timing difference between taxable income and accounting income that are measured at relevant enacted tax rates. At each Balance Sheet date the company reassesses unrecognized deferred tax assets, to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

J Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. The recoverable amount is greater of the asset's net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuous use of the asset to their present value. An impaired loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. During the current financial year the company has recognised impairment loss of ₹ 3706382/ – on certain Fixed Assets of the Company.

K Accounting of Cenvat Transactions

CENVAT benefit is accounted for on accrual basis on purchase of material and assets and incurring of expenses and appropriated against payment of Excise Duty on Clearance of Finished Goods.

L Deferred Revenue Expenses

Deferred Revenue Expenses include expenses for Share Issue and increase in Authorized share capital. These expenses are being written off over a period of 5 Years.



M Earnings Per Share

The earning considered in ascertaining the Company's EPS comprises the net profit after tax and includes the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is weighted average number of shares outstanding during the year. The number of shares used in computing diluted EPS comprises of weighted average shares considered for deriving basic EPS and also the weighted average number of Equity shares which could have been issued on the conversion of all dilutive potential equity shares.

N Recognition of Income and Expenditure

- (a) Incomes & Expenditures are generally accounted on Accrual as they are earned or incurred except interest on taxes and duties which are accounted on payment basis or at the time of assessment, whichever is earlier.
- (b) Sales are recognised when significant risks and rewards of ownership of the goods have passed to buyer which generally coincides with delivery. Sales are net of sales return, discount, rebates etc.
- (c) Export benefits (by way of entitlements for concessional custom duty) are accounted while availing the same.
- (d) Imports are recognised on presentation of Bill of Entry at the Customs or on retiring the Import Documents whichever is earlier.
- (e) Dividend income is recognised when the right to receive the dividend is unconditional.

O Investments

Investments intended to be held for more than a year from the date of acquisition are classified as long term and are stated at cost of acquisition. No provision is made for diminution in value, if the decline is only temporary. Investments as on 31st March 2013 include Trade Investments, investment in Associates.

P Tax on Dividend

Tax on distributable Profits by way of Interim and Final Dividend is accounted for in the year to which the declared dividends relate.

Q Contingent Liabilities

Contingent Liabilities as defined in AS-29 "Provisions, Contingent Liabilities" are disclosed by way of notes to the accounts. Disclosure is not made if possibility of outflow of resources embodying economic benefit is remote.

(₹ in Lacs)

as at 31st March 2013 as at 31st March 2012

2 SHARE CAPITAL

Authorised Share Capital

30000000 (30000000) Equity Shares of ₹ 10/- Each

3000.00

3000.00

Issued, Subscribed & Paid Up

21001600 (10500800) Equity Shares of ₹ 10/- Each

2100.16

1050.08

2100.16

1050.08

2.1 1500000 Shares out of the issued , subscribed and paid up Share Capital were allotted in the last Five Years (F.Y.2007-08) Pursuant to the Scheme of Amalgamation with Sun Transtamp Private Limited without payments being received in Cash.

2.2 Reconciliation of Number of Equity Shares Outstanding at the beginning and at the end of the year:

	31st March 2013		31st March 2012	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Number of Shares Outstanding as at the beginning of the year	10500800	1050.08	10500800	1050.08
Add: Number of bonus shares allotted during the year *	10500800	1050.08	-	-
Less: Number of shares bought back during the year	-	-	-	-
Number of shares outstanding as at the end of the year	21001600	2100.16	10500800	1050.08

*Equity shares allotted as fully paid bonus shares by capitalisation of Security Premium and Capital Reserves.

2.3 Terms/Rights attached to equity shares

The company has issued only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2013 amount per share of dividend recognised as distributions to equity shareholders was ₹ Nil (P.Y.Nil)In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the numbers of equity shares held by shareholders.

2.4 Details of shareholders holding more than 5% of the total shares

Equity shares of ₹ 10/- each fully paid	31st March 2013		31st March 2012	
	No. of Shares	% holding	No. of Shares	% holding
Shares Held By				
Choudhary Global Limited	2210990	10.53	1105395	10.53
Nareshkumar Choudhary (HUF)	1115624	5.31	557812	5.31
Rajendrakumar Choudhary (HUF)	2725800	12.98	1362900	12.98
Sureshkumar Choudhary	1115366	5.31	557683	5.31
Asha Deep Multi Trade Private Limited	10000	0.05	531396	5.06
Radiance Exim Private Limited	-	-	647975	6.17
Abhivadan Properties Private Limited	437432	2.08	587571	5.60

2.5 Shares allotted as fully paid up by way of bonus shares during the year.

Equity shares allotted as fully paid up bonus shares by capitalisation of Securities Premium
Equity shares allotted as fully paid up bonus shares by capitalisation of Capital Reserve

Year	No of Shares
31st March 2013	3500800
31st March 2013	7000000
	10500800

3 RESERVES & SURPLUS

I Securities Premium Account			
As at Beginning of the year		3480.00	3480.00
Less: Capitalised on Allotment of Fully Paid up Bonus Shares		(350.08)	-
As at the End of the year		<u>3129.92</u>	<u>3480.00</u>
II Capital Reserve			
As at Beginning of the year		700.00	700.00
Less: Capitalised on Allotment of Fully Paid up Bonus Shares		(700.00)	-
As at the End of the year		<u>-</u>	<u>700.00</u>
III General Reserve			
As at Beginning of the year		1557.12	1557.12
Add: Transfer From Profit And Loss Account		-	-
As at the End of the year		<u>1557.12</u>	<u>1557.12</u>
IV Other Reserve (Arising Out of Amalgamation)			
As at Beginning of the year		356.58	356.58
Add: Transfer From Profit And Loss Account		-	-
As at the End of the year		<u>356.58</u>	<u>356.58</u>
V Surplus i.e. Balance in Statement of Profit & Loss			
As at Beginning of the year		(171.91)	1686.59
Loss for the year		(4190.80)	(1858.50)
As at the End of the year		<u>(4362.71)</u>	<u>(171.91)</u>
Total (I+II+III+IV+V)		<u><u>680.91</u></u>	<u><u>5921.79</u></u>

4 LONG TERM BORROWINGS

Secured Loans

Term Loans

Working Capital Term Loan

From Bank

10970.00 -

Less: Current Maturities of Long Term Debt

8550.00 -

2420.00

Funded Interest Term Loan

From Bank

1414.00 -

Less: Current Maturities of Long Term Debt

256.80 -

1157.20

Vehicle Loan

From Bank

38.88 -

Less: Current Maturities of Long Term Debt

6.81 -

32.07
3609.27
4.1 Additional Information:
a) Working Capital Term Loan

Details of Terms of repayment :

Working Capital Term Loan amount ₹ 110/- crores sanctioned during the year by State Bank of India. ₹ 2000.00 Lacs repayment before 30th June, 2013. F.Y. 2013-14, 12 monthly installments of ₹ 10/- Lacs each amounting to ₹ 120/- Lacs, F.Y. 2014-15, 12 monthly installments of ₹ 16.70 Lacs each amounting to ₹ 200/- Lacs, F.Y. 2015-16, 12 monthly installment of ₹ 29.20 Lacs each amounting to ₹ 350/- Lacs, F.Y. 2016-17, 12 monthly installment of ₹ 37.50 Lacs each amounting to ₹ 450/- Lacs, F.Y. 2017-18, 12 monthly installments of ₹ 58.40 Lacs each amounting to ₹ 700/- Lacs, F.Y. 2018-19, 12 monthly installments of ₹ 60/- Lacs each amounting to ₹ 720/-Lacs.

b) Funded Interest Term Loan

Details of Terms of repayment

F.Y. 2013-14, 12 monthly installments of ₹ 20.90 Lacs each amounting to ₹ 250/- Lacs, F.Y. 2014-15, 12 monthly installments of ₹ 29.30 Lacs each amounting to ₹ 351/- Lacs, F.Y. 2015-16, 12 monthly installment of ₹ 33/- Lacs each amounting to ₹ 396/- Lacs, F.Y. 2016-17, 12 monthly installment of ₹ 33/- Lacs each amounting to ₹ 396/- Lacs, F.Y. 2017-18, 12 monthly installments of ₹ 31.10 Lacs each amounting to ₹ 373/- Lacs

c) Vehicle Loan

Details of Terms of repayment

The Loan is to be repaid in 60 monthly installments as per following repayment schedule. F.Y.2013-14 ₹ 6.81 Lacs, F.Y.2014-15 ₹ 7.56 Lacs, F.Y.2015-16 ₹ 8.40 Lacs, F.Y.2016-17 ₹ 9.32 Lacs and F.Y.2017-18 ₹ 5.91 Lacs

d) Details of Security for Working Capital Term Loan and Funded Interest Term Loan.

The above facilities are secured by Hypothecation of entire Stock and Current Assets of the Company. The facilities are further collaterally secured by Equitable Mortgage of Factory Land and Building at G.I.D.C Baroda, at Roorkee Dist Haridwar-Uttaranchal and corporate office situated at Vikas Chambers, Malad(W), Mumbai and Residential Flat at Vapi and also Hypothecation charge on Plant and Machinery at GIDC Baroda and at Roorkee Dist Haridwar (Uttaranchal).

These facilities are further collaterally secured by Pledge of 93000 equity shares of ₹ 10/- each of Tarapur Transformers Limited, 3200000 equity shares

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

as at 31st March 2013 as at 31st March 2012

of ₹ 10/-each of Bilpower Limited and 16000000 equity shares of ₹ 1/- each of Bil Energy Systems Limited.

The facilities are further collaterally secured by extension of Equitable Mortgage of Land admeasuring 3 Acres and Building admeasuring 87175 sq. feet at Wada owned by Bil Energy Systems Limited and extension of hypothecation charge on entire stock and Current Assets and Plant & Machinery and all other movable Fixed Assets of Bil Energy Systems Limited.

The above facilities are personally guaranteed by Mr.Rajendrakumar Choudhary Director of the Company and Mr. Nareshkumar Choudhary (Ex Director of the Company) and Corporate Guarantee of Bil Energy Systems Limited.

As per terms of sanction the above facilities are also proposed to be collaterally secured by equitable Mortgage of Factory Land and Building and Plant and Machinery situated at Pali,Village Wada(Dist.Thane) belonging to Tarapur Transformers Limited and corporate guarantee of Tarapur Transformers Limited. However as per the legal opinion obtained by the Company Tarapur Transformers Limited is required to obtain approval of shareholders and lenders before creating the said charge and executing the corporate guarantee which is pending.

e) Details of Security for Other Term Loan-Auto Loan

Auto Loan is secured against hypothecation of respective vehicle.

f) Details of Interest rates

Working Capital Term Loan-2.50% above base rate i.e.12.25% per annum with monthly rest.Funded Interest Term Loan-2.50% above base rate i.e.12.25% per annum with monthly rest.Other Term Loan-10.51 % per annum on monthly reducing basis.

g) Period and amount of default as on the balance sheet date 31st March, 2013 in respect of loans from Bank.

Nature of loan	Due date	Principal amount overdue	Interest amount overdue	Total amount overdue
Working Capital Term Loan	31/12/2012	-	114.38	114.38
Funded Interest Term loan	31/12/2012	-	0.58	0.58
Working Capital Term Loan	31/01/2013	10.00	115.32	125.32
Funded Interest Term loan	31/01/2013	2.00	14.72	16.72
Working Capital Term Loan	28/02/2013	10.00	104.85	114.85
Funded Interest Term loan	28/02/2013	2.00	13.43	15.43
Total		24.00	363.28	387.28

5 DEFERRED TAX LIABILITIES(NET)

Deferred Tax Liabilities

Depreciation

	68.49	68.49
(A)	<u>68.49</u>	<u>68.49</u>

Deferred Tax Assets

Unabsorbed Losses

	(68.49)	-
(B)	<u>(68.49)</u>	<u>-</u>

Deferred Tax Liabilities (Net)

Total (A) +(B)	<u>-</u>	<u>68.49</u>
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6 LONG TERM PROVISION

Provision For Gratuity

	2.21	3.50
	<u>2.21</u>	<u>3.50</u>

7 SHORT TERM BORROWINGS

I Secured Loans

Loans Repayable On Demand

-Working Capital Loan Repayable On Demand From Bank

5503.64 11218.69

-From Other #

240.00 100.00

(A) **5743.64** 11318.69

(Other loan taken from an NBFC and secured by pledge of 4422460 equity shares of Tarapur Transformers Limited, 650000 equity shares of Bil Energy Systems Limited.)

II Unsecured Loans

-From Related Parties

153.61 137.00

(B) **153.61** 137.00

Unsecured Loan includes payable to following related parties Bil Energy Systems Limited ₹ 137.00 Lacs (P.Y. ₹ 137.00 Lacs), Rajendra Kumar Choudhary ₹ 16.61 Lacs (P.Y. Nil)

Total (A)+(B) **5897.25** 11455.69

7.1 Details of Security for Working Capital Loan.

The above facility is secured by Hypothecation of entire Stock and Current Assets of the Company.The facilities are further collaterally secured by Equitable Mortgage of Factory Land and Building at G.I.D.C Baroda, at Roorkee Dist Haridwar-Uttaranchal and corporate office situated at Vikas Chambers, Malad(VV), Mumbai and Residential Flat at Vapi and also Hypothecation charge on Plant and Machinery at GIDC Baroda and at Roorkee Dist Haridwar (Uttaranchal).

The facility is further collaterally secured by Pledge of 93000 equity shares of ₹ 10/- each of Tarapur Transformers Limited, 3200000 equity shares of ₹ 10/-each of Bilpower Limited and 16000000 equity shares of ₹ 1/- each of Bil Energy Systems Limited.

The facility is further collaterally secured by extension of Equitable Mortgage of Land admeasuring 3 Acres and Building admeasuring 87175 sq. feet at Wada owned by Bil Energy Systems Limited and extension of hypothecation charge on entire stock and Current Assets and Plant & Machinery and all other movable Fixed Assets of Bil Energy Systems Limited.

The above facility is personally guaranteed by Mr.Rajendrakumar Choudhary Director of the Company and Mr. Nareshkumar Choudhary (Ex Director of the Company) and Corporate Guarantee of Bil Energy Systems Limited.

As per terms of sanction the above facility is also proposed to be collaterally secured by equitable Mortgage of Factory Land and Building and Plant and Machinery situated at Pali, Village Wada (Dist.Thane) belonging to Tarapur Transformers Limited and corporate guarantee of Tarapur Transformers Limited. However as per the legal opinion obtained by the Company Tarapur Transformers Limited is required to obtain approval of shareholders and lenders before creating the said charge and executing the corporate guarantee which is pending.

7.2 Period and amount of default as on the balance sheet date 31st March, 2013 in respect of Working Capital Loan from Bank.

Nature of loan	Due date	Interest amount overdue (₹ in Lacs)
Working Capital Demand Loan (Cash Credit)	31/12/2012	48.61
Working Capital Demand Loan (Cash Credit)	31/01/2013	48.61
Working Capital Demand Loan (Cash Credit)	28/02/2013	43.91
Total		141.13

8 TRADE PAYABLES

Trade Payable (Including More Than 12 Months)	2869.48	9385.71
	<u>2869.48</u>	<u>9385.71</u>

8.1 Trade Payable Includes ₹ 296.44 Lacs (P.Y. ₹ 711.98 Lacs) payable to related Party Bil Energy Systems Limited

8.2 The Company has not received any intimation from the suppliers under the Micro, Small & Medium Enterprises Development Act 2006 & therefore disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said act have not been given.

9 OTHER CURRENT LIABILITIES

I Current Maturities of Long Term Debt (Refer Note No.4.1)	8813.61	-
II Interest Accrued and due on Borrowings	685.17	-
III Trade Advances	61.60	32.68
IV Unclaimed Dividend	5.26	5.41
V Sales Tax Payable	67.44	98.72
VI Other Payables	13.30	25.87
	<u>9646.38</u>	<u>162.68</u>

9.2 Trade Advance includes payable to Related Party TRC Power ₹ 0.03 Lacs (P.Y. ₹ 0.03 Lacs)

10 SHORT TERM PROVISIONS

Provision For Tax On Dividend	17.03	17.03
	<u>17.03</u>	<u>17.03</u>

11 FIXED ASSETS

(₹ in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				IMPAIRMENT				NET BLOCK	
	As at 01.04.2012	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2013	As at 01.04.2012	Deductions/ Adjustments During the year	For the year	Upto 31.03.2013	As at 01.04.2012	Recognised During the year	Deduction	Upto 31.03.2013	As at 31.03.2012	As at 31.03.2013
A) TANGIBLE ASSETS														
1) Land	47.96	-	-	47.96	-	-	-	-	-	-	-	-	47.96	47.96
2) Lease hold land	30.95	-	-	30.95	2.08	-	0.32	2.40	-	-	-	-	28.87	28.55
3) Building & Premises	290.32	-	-	290.32	70.88	-	8.34	79.22	-	-	-	-	219.44	211.10
4) Plant & Machinery	199.80	-	8.44	191.36	70.68	1.42	8.92	78.18	-	35.87	-	35.87	129.12	77.31
5) Vehicle	186.83	53.14	28.13	211.84	110.44	22.27	16.76	104.93	-	0.14	-	0.14	76.39	106.77
6) Furniture & Fixture	51.48	-	-	51.48	26.93	-	3.21	30.14	-	0.56	-	0.56	24.55	20.78
7) Jewellery & Ornament	11.40	-	-	11.40	-	-	-	-	-	-	-	-	11.40	11.40
8) Office Equipment	64.93	-	-	64.93	47.71	-	4.85	52.56	-	0.50	-	0.50	17.22	11.87
Sub Total	883.67	53.14	36.57	900.24	328.72	23.69	42.40	347.43	-	37.07	-	37.07	554.95	515.74
B) INTANGIBLE ASSETS														
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)	883.67	53.14	36.57	900.24	328.72	23.69	42.40	347.43	-	37.07	-	37.07	554.95	515.74
Previous Year	890.70	2.26	9.29	883.67	287.75	5.10	46.07	328.72	-	-	-	-	602.95	554.95
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: Capital work in progress excluded advances on capital accounts. Previous year figures have been regrouped wherever necessary.



NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

as at 31st March 2013 as at 31st March 2012

12 NON CURRENT INVESTMENTS

Other Investment	QTY			
	31.03.2013	31.03.2012		
Equity Shares, Quoted, Valued At Cost-Fully Paid Up				
In Associates				
Bil Energy Systems Limited (F.V. ₹ 1/-) *	700000	70000	7.00	7.00
Tarapur Transformers Limited (F.V. ₹ 10/-)	8416460	8416460	1611.79	1611.79
Equity Shares, Unquoted, Valued At Cost-Fully Paid Up				
In Associates				
Choudhary Global Limited (F.V. ₹ 10/-)	1750000	1750000	350.00	350.00
Nik-San Engineering Company Limited (F.V. ₹ 10/-)	400000	400000	120.00	120.00
In Others				
The Greater Bombay Co.Op Bank Limited (F.V. ₹ 10/-)	4000	4000	1.00	1.00
			<u>2089.79</u>	<u>2089.79</u>
Aggregate Amount of Quoted Investments			1618.79	1618.79
Market Value of Quoted Investments			772.40	1469.92
Aggregate Amount of Unquoted Investments			471.00	471.00

* Previous Year Face Value ₹ 10/ – each.

13 LONG-TERM LOANS AND ADVANCES

I Capital Advances (Unsecured, Considered Good)	24.11	24.11
II Security Deposit (Unsecured, Considered Good)	7.75	8.13
III Other Loans And Advance (Unsecured, Considered Good)	7.75	8.13
Balances With Statutory/Revenue Authorities-Sales Vat Income Tax (Net of Provision For Taxation)	132.25	103.79
	64.01	125.67
	<u>196.26</u>	<u>229.46</u>
Total (I+II+III)	<u>228.12</u>	<u>261.70</u>

14 OTHER NON CURRENT ASSETS

Miscellaneous Expenditure (to the extent not Written Off)	2.80	4.20
	<u>2.80</u>	<u>4.20</u>

15 CURRENT INVESTMENTS

Trade Investment	QTY			
	31.03.2013	31.03.2012		
Equity Shares, Quoted, Valued At Cost-Fully Paid Up				
In Associates				
Bil Energy Systems Limited (F.V. ₹ 1/-) *	4586770	458677	163.84	163.84
In Other				
Marsons Limited (F.V. ₹ 10/-)	10317	10317	1.59	1.59
Indiabulls Power Limited (F.V. ₹ 10/-)	100	–	0.02	–
			<u>165.45</u>	<u>165.43</u>
Aggregate Amount of Quoted Investments			165.45	165.43
Market Value of Quoted Investments			307.66	505.50

* Previous Year Face Value ₹ 10/ – each.

16 INVENTORIES

(As taken valued & certified by the Management)		
Raw Material	20.24	–
Stock In Progress	293.17	1638.45
Finished Goods	7.05	9.59
Stock In Trade	469.12	883.72
	<u>789.58</u>	<u>2531.76</u>

as at 31st March 2013 as at 31st March 2012

17 TRADE RECEIVABLE

I	Due For a Period Exceeding Six Months		
	-(Unsecured and Considered Good)	16246.66	3295.93
	-(Unsecured and Considered Doubtful)	<u>1282.10</u>	<u>580.12</u>
		<u>17528.76</u>	<u>3876.05</u>
	Less :Provision for Doubtful Debts	<u>1282.10</u>	<u>580.12</u>
		<u>16246.66</u>	<u>3295.93</u>
II	Other Receivables		
	-(Unsecured and Considered Good)	<u>2262.78</u>	<u>14493.16</u>
		<u>18509.44</u>	<u>17789.09</u>

17.1 Trade receivable includes amt due from following related parties –

Varsha Engineers (Division of Tarapur Transformers Limited) ₹ 76.38 Lacs (P.Y. ₹ 76.38 Lacs) Nik-San Engineering Company Limited ₹ 44.13 Lacs (P.Y. ₹ 36.86 Lacs)

17.2 Balance of Trade Receivables is subject to confirmation from the respective parties and resultant reconciliation, if any.

18 CASH AND CASH EQUIVALENTS

I	Balances With Banks		
	A) Current Accounts	3.89	20.20
	B) Earmarked Balances with Banks-Unpaid Dividend	5.26	5.41
	C) Cash In Hand	<u>34.08</u>	<u>39.60</u>
		<u>43.23</u>	<u>65.21</u>
II	Other Bank Balances		
	A) Amount Held as Margin Money	4.08	0.31
	B) Fixed Deposit With Banks *	<u>4.89</u>	<u>870.61</u>
		<u>8.97</u>	<u>870.92</u>
	Total (I + II)	<u>52.20</u>	<u>936.13</u>

*(Held as margin money or security against guarantees, letter of credits and other commitments)

19 SHORT-TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

I	Loan and Advance Recoverable In Cash Or Kind		
	To Related Party	254.18	42.42
	To Others	<u>1971.55</u>	<u>3210.96</u>
II	Balance With Statutory/Revenue Authorities Excise and Service Tax	174.57	295.51
III	Prepaid Expenses	1.27	105.06
IV	Share Application Money-In Other Body Corporates	<u>68.00</u>	<u>77.97</u>
		<u>2469.57</u>	<u>3731.92</u>

19.1 Loans and advances recoverable from following related parties Nik-San Engg Coompany Limited ₹ 10.66 Lacs (P.Y. ₹ 14.50 Lacs) Tarapur Transformers Limited ₹ 236.19 Lacs (P.Y. Nil) Choudhary Stamping ₹ 7.34 Lacs (P.Y. ₹ 27.92 Lacs)

20 REVENUE FROM OPERATIONS

I	Sales of Manufactured Goods		
	- Electrical Lamination	309.45	500.37
	- Electrical Sheet	<u>218.53</u>	<u>345.11</u>
		<u>527.98</u>	<u>845.48</u>
II	Sales of Trading Goods		
	- Iron & Steel (HR Sheet,CR Sheet/Coil,MS Plate)	3023.19	34478.74
	- Others	-	285.26
		<u>3023.19</u>	<u>34764.00</u>
III	Other Operating Revenues		
	- Scrap Sales	25.19	93.71
		<u>25.19</u>	<u>93.71</u>
	Sub Total (I+II+III)	<u>3576.36</u>	<u>35703.19</u>
	Less Excise Duty	<u>40.29</u>	<u>91.09</u>
	Revenue From Operations (Net)	<u>3536.07</u>	<u>35612.10</u>



NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

as at 31st March 2013 as at 31st March 2012

21 OTHER INCOME

I Interest Income		
- Interest From Bank on Deposit	13.08	65.59
- Interest on Loans and Advances	177.66	264.12
- Interest on I.T. Refund	37.40	-
II Dividend Income		
- From Others	0.16	0.20
- From Associates	1.00	2.00
III Gain on Sales of Investments	0.53	121.12
IV Other Non-Operating Income		
- Sundry Balance Written Back	0.19	1.20
- Rent Income	2.10	-
- Miscellaneous Income	0.01	0.05
- Speculation Profit /Loss on Share Trading	-	0.02
- Excess Provision Credit of Gratuity Written Back	1.29	12.87
	<u>233.42</u>	<u>467.17</u>

22 COST OF MATERIALS CONSUMED

I Cost for Sales		
Cost of Material Consumed		
- Opening Stock	-	126.74
Add Purchase During the Year	261.38	862.20
Less Closing Stock	20.24	-
	<u>241.14</u>	<u>988.94</u>

23 STOCK IN TRADE PURCHASES

- Iron & Steel (HR Sheet, CR Sheet/Coil, MS Plate)	2747.89	31872.33
- Others	28.84	203.56
	<u>2776.73</u>	<u>32075.89</u>

24 CHANGES IN INVENTORIES

I. At the End of the Year		
Finished Goods	7.05	9.59
Work-In-Progress	293.17	1638.45
Stock-In-Trade	469.12	883.72
	<u>769.34</u>	<u>2531.76</u>
II. At The Beginning Of The Year		
Finished Goods	9.59	81.96
Work-In-Progress	1638.45	1427.14
Stock-In-Trade	883.72	2704.99
	<u>2531.76</u>	<u>4214.09</u>
	<u>1762.42</u>	<u>1682.33</u>

Total (II-I)

25 EMPLOYEE BENEFITS EXPENSES

I Salaries, Wages, Bonus & Allowances	56.79	117.78
II Contribution to Provident & Other Funds	2.99	6.80
III Staff Welfare Expenses	0.42	2.27
	<u>60.20</u>	<u>126.85</u>

25.1 Salaries, Wages, Bonus & Allowances includes provision of Leave Encashment ₹ 0.86 Lacs (P.Y. ₹ 1.68 Lacs)

26 FINANCE COSTS

Interest Expenses		
Bank	2149.88	2059.40
Others	119.03	6.09
Other Borrowing Costs	38.80	261.94
	<u>2307.71</u>	<u>2327.43</u>

26.1 Interest others includes ₹ 31.28 Lacs paid/payable to Sales Tax Dept. on delayed payment of MVAT. And ₹ 0.002 Lacs paid to CBEC on delayed payment of Service tax

27 OTHER EXPENSES

Manufacturing Expenses

Store & Spares	0.01	0.19
Power and Fuel	3.20	4.61
Factory Expenses	1.08	1.71
Labour Charges	0.02	1.32
Repair and Maintenance		
-Repair and Maintenance-Plant & Machinery	0.24	1.81
-Repair and Maintenance-Others	0.15	0.19
Excise Duty on Closing Stock Finished Goods	0.27	(1.91)
Packing Expenses	0.54	2.50

Selling And Distribution Expenses

Freight and Transport Charges	0.53	3.64
Commission and Brokerage	-	4.09
Bad Debt Written Off	27.05	4.20
Advertisement and Publicity Expenses	2.18	2.05
Business Promotion Expenses	0.17	6.27

Administrative & Office Expenses

Insurance Charges	1.65	1.55
Conveyance and Travelling	11.77	17.11
Postage & Telegram and Telephone	3.58	9.71
Payment to Auditors		
-Audit Fees (Including Tax Audit)	1.00	10.00
-Certification and Consultation Fees	-	0.68
Legal & Professional Fees-Other than Payment to Auditors		
-Consultancy Fees	1.81	0.48
-Legal & Professional Fees	10.98	11.82
-Stamp Duty, Stamp Paper and Franking Charges	2.36	0.41
Donation	0.24	0.07
Rates & Taxes	1.49	1.24
Electricity Exp	1.28	2.60
Listing,Registrar & Share Transfer Expenses	5.18	4.36
Loss on Sales of Fixed Assets	8.32	1.79
Printing & Stationery	1.90	4.16
Rent	-	2.40
Impairment Loss	37.06	-
Loss on Foreign Currency Fluctuation	1.79	1.48
Balance Written Off	0.37	-
Office & General Expenses	8.70	9.09
Miscellaneous Expenditure W/Off	1.40	2.10
	<u>136.32</u>	<u>111.72</u>

27.1 Legal & Professional fees-other than payment to auditors includes ₹ 0.59 Lacs pertaining to prior period.(P.Y. ₹ Nil)

28 EXCEPTIONAL ITEMS

Provision For Doubtful Debts	701.98	580.12
Excise Duty For Earlier Year	53.81	-
	<u>755.79</u>	<u>580.12</u>

29 CONTINGENT LIABILITIES

(₹ in Lacs)

Particulars		as at 31st March 2013	as at 31st March 2012
(a)	Income Tax demands including interest which is under dispute and pending in appeals.	Nil	21.17
(b)	Claims not acknowledged as debts	0.77	0.77
(c)	Guarantee given to custom department (margin of ₹ 3.40 Lacs is available).	2.16	2.16
(d)	Sales tax liability against non collection of various sales tax forms under relevant sales tax laws, not provided due to uncertainty in ascertainment of amount of liability, if any.	Not Ascertainable	Not Ascertainable
(e)	Custom Duty (Pending in appeal)	18.38	18.38
(f)	Excise Demand	4327.79	4171.8

Apart from the above there exists contingent liability in case of LCs issued and LCs discounted

NOTES TO FINANCIAL STATEMENTS

30 C.I.F.VALUE OF IMPORTS, EXPENDITURES AND EARNINGS IN FOREIGN CURRENCY

(₹ in Lacs)

Sr. No.	Particulars	as at 31st March 2013	as at 31st March 2012
(a)	C.I.F.Value of Imports		
	Raw Material	8.16	708.45
	Capital Goods	Nil	Nil
(b)	Expenditure in Foreign Currency		
	Travelling Expenses	0.16	8.22
	Bank Charges	Nil	0.35
	FCNR Loan Interest	Nil	64.24
(c)	Earnings in Foreign Currency	Nil	Nil

31 SEGMENT REPORTING

The company primarily deals in the business of Electrical Steel Products and Other Steel Products related to Transformer Industry and hence there is no Primary reportable segment in the context of Accounting Standard 17 issued by The Institute of Chartered Accountants of India.

32 RELATED PARTY DISCLOSURES

(a) The Company had transactions with the following related parties

Sr.No	Name of the Related Party	Relationship
1	Tarapur Transformers Limited	Associate
2	Bil Energy Systems Limited.	Associate
3	Nik-San Engineering Company Limited	Associate
4	Choudhary Global Limited	Associate
5	Suresh Kumar Choudhary	Key Management Personnel
6	Rajendra Kumar Choudhary	Key Management Personnel
7	TRC Power	Proprietary concern of Relative of KMP
8	Choudhary Stampings	Proprietary concern of Relative of KMP

(b) Related party transactions

(₹ in Lacs)

Sr.No	Nature of transactions	Nature of Relationship			Total of Transaction
		Associates	“Key Management Personnel (KMP)”	Relatives of KMP & Their Proprietary Concern	
1	Purchase of Goods	-	-	-	-
		(2,909.12)	-	-	(2,909.12)
2	Sale of Goods	7.28	-	-	7.28
		(585.78)	-	(14.97)	(600.75)
3	Sale of Investment (Shares)	-	-	-	-
		(2.00)	-	-	(2.00)
4	Interest Income	-	-	-	-
		-	-	-	-
5	Receiving of Services Payment of Remuneration	-	(35.00)	-	(35.00)
6	Finance (Including Loans & Equity Contributions on Cash or Kind)				
	A) Loans & Advances Received	-	16.61	-	16.61
		(137.00)	-	-	(137.00)
	B) Loans & Advances Given	239.19	-	205.84	445.03
		(14.50)	-	(120.11)	(134.61)
7	Investment (Subscription of Equity Shares)	-	-	-	-
		(120.48)	-	-	(120.48)
8	Dividend Received	1.00	-	-	1.00
		(2.00)	-	-	(2.00)
9	Outstanding as at 31st March 2012				
	A) Trade Payable	296.44	-	-	296.44
		(711.98)	-	-	(711.98)
	B) Loans & Advance Received	137.00	16.61	-	153.61
		(137.00)	-	-	(137.00)
	C) Trade Advance Received	-	-	0.03	0.03
		-	-	(0.03)	(0.03)
	D) Loans & Advances Given	246.85	-	7.34	254.19
		(14.50)	-	(27.91)	(42.41)
	E) Trade Receivable	120.51	-	-	120.51
		(113.23)	-	-	(113.23)
	F) Remuneration Receivable	-	-	-	-
		-	-	-	-

Note: - Figures in Brackets Relate to Previous Year

Disclosure in respect of Material Related Party Transactions During the year :

- 1 Purchase of Goods includes : Bil Energy Systems Limited ₹ Nil (Previous Year ₹.2313.17 Lacs), Tarapur Transformers Limited ₹ Nil (Previous Year ₹ 595.95 Lacs)
- 2 Sale of Goods includes : Nik-San Engineering Company Limited ₹ 7.28 Lacs (Previous Year ₹ 36.86 Lacs), Bil Energy Systems Limited ₹ Nil (Previous Year ₹ 548.92 Lacs), TRC Power ₹ Nil (Previous Year ₹ 14.97 Lacs)
- 3 Sale of Investment (Shares) includes : Tarapur Transformer Limited ₹ Nil (Previous Year ₹ 2/- Lacs)
- 4 Receiving of Services Payment of Remuneration includes : Rajendra Kumar Choudhary ₹ Nil (Previous Year ₹ 14/- Lacs), Suresh Kumar Choudhary ₹ Nil (Previous Year ₹ 21/- Lacs)
- 5 Finance (Including Loans & Equity Contributions on Cash or Kind)
 - A) Loans & Advances Received includes Bil Energy Systems Limited ₹ Nil (Previous Year ₹ 137/- Lacs), R.K.Choudhary ₹ 16.61 Lacs (Previous Year ₹ Nil)
 - B) Loans & Advances Given includes Nik-San Engineering Company Limited ₹ Nil (Previous Year ₹ 14.50 Lacs) Bil Energy Systems Limited ₹ 3.00 Lacs (Previous Year ₹ Nil), Tarapur Transformer Limited ₹ 236.19 Lacs (Previous Year ₹ Nil), Choudhary Stampings ₹ 205.84 Lacs (Previous Year ₹ 120.11 Lacs)
- 6 Investment (Subscription of Equity Shares) includes Bil Energy Systems Limited ₹ Nil (Previous Year ₹ 91.84 Lacs), Tarapur Transformers Limited ₹ Nil (Previous year ₹ 28.64 Lacs)
- 7 Dividend Received includes Nik-San Engineering Company Limited ₹ 1/- Lacs (Previous Year ₹ 2/- Lacs)
- 8 Outstanding as at 31st March 2013
 - A) Trade Payable : Bil Energy Systems Limited ₹ 296.44 Lacs (Previous Year ₹ 711.98 Lacs)
 - B) Loans & Advances Received : Bil Energy Systems Limited ₹ 137/- Lacs (Previous Year ₹ 137 Lacs), R.K.Choudhary ₹ 16.61 Lacs (Previous year ₹ Nil)
 - C) Trade Advance Received : TRC Power ₹ 0.03 Lacs (Previous Year ₹ 0.03 Lacs)
 - D) Loans & Advances Given : Nik-San Engineering Company Limited ₹ 10.66 Lacs (Previous Year ₹ 14.50 Lacs), Tarapur Transformers Limited ₹ 236.19 Lacs (Previous Year ₹ Nil), Choudhary Stamping ₹ 7.34 Lacs (Previous Year ₹ 27.92 Lacs)
 - E) Trade Receivable : Nik-San Engineering Company Limited ₹ 44.13 Lacs (Previous Year ₹ 36.86 Lacs), Varsha Engineers (A division of Tarapur Transformers Limited.) ₹ 76.38 Lacs (Previous Year ₹ 76.38 Lacs)

33 DEFERRED TAX LIABILITY STATEMENT

(₹ in Lacs)

Particulars		Deferred tax liability/asset as at 01.04.2012 Amount	Current Year Changes Amount	Deferred tax liability/asset as at 31.03.2013 Amount
Deferred Tax Liabilities				
Difference between book & tax depreciation	(A)	68.49	-	68.49
		68.49	-	68.49
Deferred Tax Assets				
Unabsorbed Losses	(B)	-	68.49	68.49
		-	68.49	68.49
Deferred Tax Liability (Net)	(A-B)	68.49	(68.49)	-

34 DETAILS OF MATERIAL CONSUMED COMPRISES OF IMPORTED & INDIGENOUS ITEMS

(₹ in Lacs)

Particulars	as at 31st March 2013		as at 31st March 2012	
	Amount	%	Amount	%
Imported	9.98	4.14	774.15	78.28
Indigenous *	231.16	95.86	214.78	21.72
Total	241.14	100.00	988.93	100.00

* Indigenous consumption includes imported material purchased locally.

35 MATERIAL CONSUMED

(₹ in Lacs)

Particulars	as at 31st March 2013	as at 31st March 2012
CRGO/CRNGO/HRGO/HRNGO/Electrical Steel Strip/Coils/Sheets	241.14	988.93

36 PURCHASES OF TRADED GOODS

(₹ in Lacs)

Sr No.	Category	as at 31st March 2013	as at 31st March 2012
1	M.S.Plates / Beam / Channels / Angles	143.08	1227.98
2	Sheets & Coils	2604.81	30644.35
3	Others	28.84	203.56
Total		2776.73	32075.89

37 SALE OF PRODUCTS COMPRISES

a) Manufactured goods

(₹ in Lacs)

Sr No.	Category	as at 31st March 2013	as at 31st March 2012
1	Electrical / CRGO Lamination	309.45	500.37
2	Electrical Sheets	218.53	345.11
3	Waste & Scrap	25.19	93.71
Total		553.17	939.19

NOTES TO FINANCIAL STATEMENTS

b) Traded Goods (₹ in Lacs)

Sr No.	Category	as at 31st March 2013	as at 31st March 2012
1	M.S.Plates / Beam / Channels / Angles	143.64	1207.34
2	Sheets & Coils	2879.55	33271.40
3	Others	–	285.26
Total		3023.19	34764.00

38 DETAILS OF CLOSING STOCK

a) Closing Stock of Finished Goods (₹ in Lacs)

Sr No.	Category	as at 31st March 2013	as at 31st March 2012
1	Electrical / CRGO Lamination	2.42	6.66
2	Electrical Sheets	–	0.28
3	Waste & Scrap	4.64	2.65
Total		7.05	9.59

b) Closing Stock of Traded Goods (₹ in Lacs)

Sr No.	Category	as at 31st March 2013	as at 31st March 2012
1	M.S.Plates / Beam / Channels / Angles	43.73	43.71
2	Sheets & Coils	396.55	840.01
3	Others	28.84	–
Total		469.12	883.72

39 EARNINGS PER SHARE (EPS)

Particulars	as at 31st March 2013	as at 31st March 2012
Profit After Tax (₹ in Lacs)	(4190.80)	(1858.50)
Weighted average number of Equity Shares – Basic & Diluted	21001600	10500800
Earning Per Share (in ₹) – Basic & Diluted	(19.95)	(17.70)

40 DISCLOSURE PURSUANT TO ADOPTION OF ACCOUNTING STANDARD 15

Gratuity liability for the year is determined on actuarial valuation by The Life Insurance Company of India with whom the company has taken a policy for settlement of future gratuity liability.

- 41 Term Deposit Receipts, wherever obtained, are endorsed in favour of Banks and Government Departments against Margin for Bank Guarantee, L/C Facilities etc.
- 42 The Company has not received any intimation from the suppliers under the Micro, Small & Medium Enterprises Development Act 2006 & therefore disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.
- 43 During the current financial year the company has recognised impairment loss of ₹ 3706382/ – on certain Fixed Assets of the Company
- 44 As per the best estimate of the management, no provision is required to be made as per Accounting Standard (AS) 29 “Provision, Contingent Liabilities & Contingent Assets” as notified by the companies (Accounting Standards) Rules 2006, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources which would be required to settle the obligation.
- 45 Consumption of consumable stores is wholly indigenous in the current & previous year.
- 46 Balances of the Creditors / Debtors / Loans / Advances are subject to Confirmations and resultant reconciliation, if any.
- 47 Bills Payable represents Bills of Exchange drawn by suppliers in favour of Bank.
- 48 Sundry Debtors as on the date of Balance sheet are Net of amounts received after discounting of Letter of Credits.
- 49 Previous Year Figures have been regrouped / recast / rearranged wherever necessary.

Signature to the Balance Sheet, Statement of Profit and Loss and Notes which form an integral part of accounts.

As per our attached report of even date.

For Bansal Bansal & Co.

Chartered Accountants
Firm Regn.No. 100986W

Anand Drolia

Partner
Membership No. 036718
Mumbai: 29th May, 2013

For and on behalf of the Board

S.K. Choudhary
Whole-Time Director

R.K. Choudhary
Director
Mumbai: 29th May, 2013



BILPOWER LIMITED

Regd. Office: 201, Vikas Chambers, Junction of Link & Marve Road, Malad (West), Mumbai – 400 064

PROXY FORM

FOLIO NO. (Shares in physical mode)	
DP ID	
CLIENT ID	
NO. OF SHARES HELD	

I/We.....resident atbeing a Member/
Member(s) of **BILPOWER LIMITED** hereby appoint Mr. / Ms.....or
failing him/her, Mr. / Ms..... as my/our proxy to vote for me/
us on my/our behalf at the 24th Annual General Meeting of the Company to be held on Monday, 30th September, 2013 at
11.00 a.m. at IJMA, 1036/37/38, 10th Floor, IJMIMA Complex, Raheja Metroplex, Link Road, Behind Goregaon Sports
Club, Malad (W), Mumbai – 400 064 and at any adjournment thereof.

Signed this day of.....2013.

Affix ₹ 1.00
Revenue
Stamp

- Notes: a) The form should be signed across the stamp as per specimen signature registered with the Company.
b) The form should be deposited at the Registered Office of the Company forty-eight hours before the time for
holding the Meeting.

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BILPOWER LIMITED

Regd. Office: 201, Vikas Chambers, Junction of Link & Marve Road, Malad (West), Mumbai – 400 064

ATTENDANCE SLIP

FOLIO NO. (Shares in physical mode)	
DP ID	
CLIENT ID	
NO. OF SHARES HELD	

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company. I hereby record my
presence at the 24th Annual General Meeting of the Company held on Monday, 30th September, 2013 at 11.00 a.m. at
IJMA, 1036/37/38, 10th Floor, IJMIMA Complex, Raheja Metroplex, Link Road, Behind Goregaon Sports Club, Malad
(W), Mumbai – 400 064 and at any adjournment thereof.

Signature of Member/Proxy

(THIS ATTENDANCE SLIP DULY FILLED TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

Book Post

To,

BILPOWER LIMITED

Registered Office: 201, Vikas Chambers, Jn of Link & Marve Road, Malad (West), Mumbai – 400 064

Tel.: (91 22) 4089 7777 Fax: (91 22) 2881 1225

Email: investors@bilpower.com