



POWER BEHIND POWER

Bilpower Limited



ANNUAL REPORT 2009-10

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Board of Directors

Mr. Suresh Kumar Choudhary
Mr. Naresh Kumar Choudhary
Mr. Rajendra Kumar Choudhary
Mr. Ashok Bansal
Mr. V.K. Pandit
Mr. Vinod Kumar Agrawal
Mr. Gouri Sankar Sarkar
Mr. Mrugen Shah

Registered Office

Vikas Chambers, 2nd Floor,
Junction of Link & Marve Road,
Malad (West), Mumbai - 400 064
Tel – (91 22) 40897777
Fax - (91 22) 28811225
Email – investors@bilpower.com

Branch Offices / Units

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

Export Unit

447, G.I.D.C. Industrial Estate,
POR, Ramangamdi, Baroda – 391 243

Karad Unit

Unit Nos – 4 & 5, Survey No. 2 / 2 / 2,
Madhuban Dam Road, Village – Karad,
Silvassa, D & NH
Phone – (0260) 3254970

Uttaranchal Unit

Unit D –10 / 11, Raipur Notified area,
Bhagwanpur, Roorkee, Dist – Haridwar, State - Uttaranchal
Phone – (0133) 2235070

Wada Unit

Village – Kanchad,
Taluka – Wada, Dist – Thane
Phone – (02526) 645947
Fax - (02526) 235622

Statutory Auditors

M/s Bansal, Bansal & Co.
Chartered Accountants
6 / 152, 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,
Next to Parke Davis, Saki Naka,
Andheri Kurla Road, Mumbai - 400 072
Phone – (91 22) 2850 0835 (5 Lines)
Email : sysss72@yahoo.com

Main Bankers

State Bank of India
Industrial Finance Branch
Snehal Chambers, Telly Gulli,
Andheri (E), Mumbai 400 069



5 YEARS FINANCIAL HIGHLIGHTS -STANDALONE

(Rs. in Lacs)

Sr. No.	Particulars	2009-10	2008-09	2007-08	2006-07	2005-06
A	Sales & Earning					
1.	Sales & Other Income	45865.48	42994.83	31216.52	24587.03	12593.96
2.	Profit before Tax (PBT)	1906.33	2128.27	2994.69	2367.38	1178.30
3.	Profit after Tax (PAT)	1515.78	1610.47	2271.47	1727.86	1067.97
B	Assets					
4.	Gross Block	6939.71	6007.13	3198.85	1056.26	534.14
5.	Net Current Assets	24389.58	16800.32	15730.09	10318.00	5623.19
6.	Investments	2018.94	1411.94	1441.94	1412.01	571.00
7.	Misc. Expenditure	2.86	3.82	4.77	2.63	—
8.	Total Assets	32827.04	24493.24	20639.80	12675.29	6637.00
C	Represented by					
9.	Share Capital	1050.08	1050.08	1050.08	900.08	600.08
10.	Warrants (Equity Share Entitlement)	—	700.00	700.00	—	291.00
11.	Reserves & Surplus	12888.00	10886.48	9496.99	7084.07	2900.29
12.	Loan Funds	18399.34	11501.84	9230.21	4630.13	2797.06
13.	Deferred Tax	489.62	354.84	162.52	61.01	48.57
14.	Total Funds	32827.04	24493.24	20639.80	12675.29	6637.00
D	Others					
15.	Dividend per share (Rs.)	1.80	1.80	1.80	1.50	1.50
16.	Market Capitalisation (BSE)	17226.56	10122.77	17515.33	13739.72	6867.92

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of the Members of BILPOWER Limited will be held at Goregaon Sports Club, Link Road, Malad (West), Mumbai – 400 064 on Thursday 30th September, 2010 at 5.30 p.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 2010, Profit & Loss Account for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To declare a Dividend on 1,05,00,800 equity shares for the year ended 31st March, 2010.
3. To appoint a Director in place of Mr. Ashok Bansal, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Vinod Kumar Agrawal, who retires by rotation and being eligible offers himself for re-appointment.
5. 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, 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 be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary to implement this resolution”.

SPECIAL BUSINESS:-

6. 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. Gouri Sankar Sarkar, 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 and agreed to by them”
7. 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. Mrugen Shah, 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 as per the provisions of the Articles of Association of the Company.”

By Order of the Board of Directors,
For **Bilpower Limited**

Suresh Kumar Choudhary
Chairman

Mumbai, 14th August, 2010

Registered Office:-

Vikas Chambers, 2nd Floor, 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 items no. 6 & 7 is annexed hereto.
- b. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY OR 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. (1) The Company has notified closure of register of members and transfer books from 27th September, 2010 to 30th September, 2010 (both days inclusive) for determining the names of members eligible for dividend on equity shares, if declared at the meeting.



- (2) The dividend, if declared, on equity shares at the meeting, will be paid after 30th September, 2010, in respect of shares held in Physical form, to those members who are entitled to the same and whose names appear in the Company's Register of Members after giving effect to all valid share transfers lodged with the Company / Registrar and Share Transfer Agents at the end of business hours on 26th September, 2010 and, in respect of shares held in the Electronic form, to those members whose names appear in the statement of beneficiary ownership furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)
- e. Members holding shares in Physical form are requested to notify change of address, if any, to Registrar and Share Transfer Agents before 26th September, 2010 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 -
1. The change in the residential status on return to India for permanent settlement.
 2. 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. Members who hold shares in dematerialized form may kindly note that their bank account details, as furnished by their depositories to the Company, will be printed on their dividend warrant as per the applicable regulations of the depositories and the Company will not entertain any direct request from such members for deletion of or change in such bank account details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to the shares held in electronic form. Members who wish to change such bank account details are therefore requested to advise their depository participants about such change with complete details of bank accounts.
- j. Relevant documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of the 21st Annual General Meeting.
- k. In line with the provisions of amended Clause 32 of the Listing Agreement and circular issued by SEBI, the Company has opted to circulate abridged consolidated and standalone annual accounts of the Company for the financial year under review. The detailed annual accounts of the Company and its subsidiary are available on any working day at the Registered Office of the Company to the Shareholders of the Company requiring such information.

Explanatory Statement

As required under Section 173(2) of the Companies Act, 1956, in respect of the items of Special Business mentioned in the Notice:-

Item No.6

The Board of Directors of the Company has appointed, pursuant to the provisions of Section 260 of The Companies Act, 1956, Mr. Gouri Sankar Sarkar as an Additional Director of the Company with effect from 14th August, 2010.

In terms of the provisions of Section 260 of the Companies Act, 1956 Mr. Gouri Sankar Sarkar 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. Gouri Sankar Sarkar for the office of Director of the Company under the provisions of Section 257 of the Act.

Mr. Gouri Sankar Sarkar is an Electrical Engineer by qualification. He has been associated with premier largest Public Sector Undertakings like; Power Grid Corporation of India Ltd., National Thermal Power Corporation Ltd., Engineers India Ltd., MECON (India) Ltd. And Disergarh Power Supply Company at different level starting from working/middle level executive to senior/top managerial positions from more than three decades

A brief resume of Mr. Gouri Sankar Sarkar, and nature of his expertise in specific functional area is provided in Report of Corporate Governance forming part of the Annual Report.

The Board of Directors is confident that his vast knowledge and experience will be of great value to the Company and hence commends the resolution set out at item no.6 of the notice for your approval.

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

Item No.7

The Board of Directors of the Company has appointed, pursuant to the provisions of Section 260 of The Companies Act, 1956 Mr. Mrugen Shah as an Additional Director of the Company with effect from 14th August, 2010.

In terms of the provisions of Section 260 of the Companies Act, 1956 Mr. Mrugen Shah 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. Mrugen Shah for the office of Director of the Company under the provisions of Section 257 of the Act.

Mr. Mrugen Shah is a Chartered Accountant by qualification having an experience in the field of accounts, taxation & audit.

A brief resume of Mr. Mrugen Shah and nature of his expertise in specific functional area is provided in Report of Corporate Governance forming part of the Annual Report.

The Board of Directors is confident that his vast knowledge and experience will be of great value to the Company and hence commends the resolution set out at item no.7 of the notice for your approval.

Save and except Mr. Mrugen Shah, 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, 14th August, 2010

Registered Office:-

Vikas Chambers, 2nd Floor, Junction of Link & Marve Road,
Malad (West), Mumbai - 400 064

**DIRECTORS' REPORT**

Dear Members,

The Directors of your Company have pleasure in presenting Twenty First Annual Report together with the Audited Accounts and Auditors' Report for the year ended 31st March, 2010.

1. Financial Performance:-

The financial performance of the Company, on standalone basis, for the Year ended 31st March, 2010 is as summarized below:-
(Rs. in Lacs)

Particulars	2009-2010	2008-2009
Gross Turnover & Other Income	45865.48	42994.83
Profit before Interest, Depreciation & Taxation	3035.71	3415.44
Less – Interest	(846.73)	(1085.67)
Profit before Depreciation & Taxation	2188.98	2329.77
Less – Depreciation	(282.65)	(201.50)
Profit before tax	1906.33	2128.27
Less– Provision for Taxation (Incl. Deferred Tax)	390.55	517.80
Net Profit for the year	1515.78	1610.47
Add – Surplus brought forward from previous Year	6058.81	5210.44
Profit available for Appropriations	7574.59	6820.91
Appropriations:-		
Transfer to General Reserve	550.00	550.00
Proposed Dividend	189.01	189.01
Dividend Distribution Tax	25.25	23.09
Balance Carried to Balance Sheet	6810.33	6058.81

2. Performance Review:-

The Turnover of the Company increased by 6.68% and stood at Rs. 458.65 crores as compared to Rs. 429.95 crores in the previous year.

The profit after tax was lower at Rs.15.16 crores, compared to Rs. 16.10 crores during 2008-09, mainly due to the volatile prices of the raw material.

3. Dividend:-

Your Directors are pleased to recommend for the approval of the shareholders, a dividend of 18% (Re.1.80 per equity share) on 1,05,00,800 equity shares of Rs.10/- each for the financial year ended on 31st March, 2010.

4. Directors:-

Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Gouri Sankar Sarkar and Mr. Mrugen Shah were appointed as Additional Directors of the Company w.e.f. 14th August, 2010 and would hold Office up to the date of ensuing Annual General Meeting.

Mr. Ashok Bansal and Mr. Vinod Kumar Agrawal, Directors, retire from the Board by rotation and being eligible have offered themselves for re-appointment at the ensuing Annual General Meeting. The Notice convening the Annual General Meeting includes the proposals for re-appointment of Directors.

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 names of the Public Limited companies in which they hold directorships and memberships / chairmanships of Committees of the Board 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.

Mr. Naresh Kumar Choudhary shall be Director instead of Managing Director of the Company w.e.f. 14th August, 2010.

Mr. N.K. Jain and Mr. Rajan Menda have tendered their resignation w.e.f 14th August, 2010. Your Directors wish to place on records their sincere appreciation for the invaluable services rendered by them.

5. Subsidiary Company:-

A statement regarding subsidiary Companies Tarapur Transformers Limited and Bil Energy Systems Limited, pursuant to Section 212 of the Companies Act, 1956 is attached to the Balance Sheet of the Company. Tarapur Transformers Limited has ceased to be a subsidiary of Bilpower Limited pursuant to the IPO of Tarapur Transformers Limited in April, 2010. The IPO received good response from the investing fraternity for which the board expresses its gratitude.

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, 2010 and of the Profit of the Company for the accounting year ended on that date.

C. 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,

D. 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, 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 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. Additionally, it is also declared that one of the partners of the above firm is a relative of Mr. Ashok Bansal, Director of the Company.

8. Auditors' Report:-

The notes on accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments under section 217(3) of the Companies Act, 1956. The Auditors' Report on the Consolidated Accounts is also attached. The Consolidated Accounts have been prepared in accordance with the Accounting Standards prescribed by The Institute of Chartered Accountants of India in this regard.

9. Tax Provisions:-

The Company has made adequate provisions as required under the provisions of Income Tax Act, 1961 and Wealth Tax Act, 1957 as well as other relevant laws governing taxation on the company.

10. Fixed Deposits:-

During the year ended on 31st March 2010, the Company has not accepted any Fixed Deposits from public under Section 58A & 58AA of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

11. 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 attached the Corporate Governance Report.

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 of this Report as Annexure- I.

13. Energy Conservation and Technology Absorption:-

In view of the nature of business of the Company which is labour intensive, 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 production is not sizeable.

14. Foreign Exchange earnings and outgo:-

Your Company earned/spent foreign exchange as under during the year.

Earnings : Rs. Nil

Outgo : Rs. 4606.82 lacs

15. Particulars of Employees:-

A Statement, as required under Sub Section (2A) of Section 217 of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rule, 1975, forms part of this Report. However, as per the provisions of Section 219 of the Companies Act, 1956, the Report and Accounts are being sent to all Shareholders of your Company excluding the aforesaid information. Any Shareholder interested in obtaining such particulars may write to the Compliance Officer at the Registered Office of the Company.

16. Acknowledgement:-

The Board wishes to place on record its sincere appreciation for the assistance and cooperation 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, 14th August, 2010



MANAGEMENT DISCUSSION & ANALYSIS REPORT

Background

Bilpower is a "Power Engineering Solutions Company" primarily into the manufacturing of Transformers Cores & Lamination and stamping for rotating machines. The key USP of Bilpower is that it assures the client of the reduction in transmission loss. Bilpower is one of the largest players in third party manufacturing of Transformers Cores & Laminations in India. Similarly, Bilpower is one of the largest manufacturers of stampings for rotating machines.

Indian Scenario

The last couple of years have amply demonstrated the resilience of the Indian economy vis-à-vis the economies of the 'developed nations'. This has resulted in a renewal of confidence of the global investors in the Indian story. If we add to this the strong GDP growth and the measures taken by the government to boost economy, the Indian Scenario looks excellent in the coming years.

Indian Power Scenario

Despite the fact that every sixth person in the world is an Indian, the country produces only about 2.4% of the total world energy output. From another angle, an average American's energy consumption is more than 25 times that of an average Indian. These facts point out to the huge potential in the energy sector in India

However, in the past, the growth in power generation has lagged behind the planned generation. The government appears to be acutely aware of this and if the recent actions and policy measures of the government are any indicators, we are very likely to see a massive growth in electricity generation in the next few years.

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 performance are:-

- Total Sales of Rs 458.65 crore.
- Net profit of Rs. 15.16 crore.
- Earning Per Share (EPS) for the year of Rs. 14.43.

With a net worth of about Rs 139.38 crore as on March 31, 2010, Bilpower Ltd. counts among the top Indian Power Ancillary manufacturing companies.

Outlook for the Company

In the coming year, the Company plans to continue to consolidate its business of Lamination by concentrating on the Lamination required for higher rating transformers and on the customers having pan India presence as well as global presence. The Company has already largely moved from manual process to automation by installing state-of-art slitting machines and cut-to-length line. These machines will further help the Company in achieving growth in market share, profitability, and increased customer acceptance and above all, lowest electrical losses. The stamping business of the company is doing well and the board is hopeful that the growth in this business shall be better than the previous year.

Demerger

The directors' proposal to demerge the wada unit of the company, after having shareholders approval, is presently pending with the Hon. High Court of Mumbai for their approval. The board is confident that the demerger shall result in improved business as well as value unlocking for all the stake holders.

Internal Controls and their adequacy

The Internal audit was carried out by an independent firm of Chartered Accountants who conduct 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 were reviewed by the Management before reporting to the Audit Committee which reviewed the Internal Audit Reports and status of implementation of the agreed action plan.

Human Resources

During the year under review, HR continued to undertake initiatives towards development, enhancement and retention of workforce. 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 worked extensively on identifying the needs of employees across all categories and level. The Company has built a young and vibrant 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. However, the Company has over the past 2 decades tied up with almost all the major global players and has developed a strong relationship with these suppliers. 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, 14th August, 2010

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 the 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 had adopted Corporate Governance and disclosure practices even before these were mandated legislations.

In addition to these, the Company has also adopted the requirements of Corporate Governance under Clause 49 of the Listing Agreements, 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 consists of optimum combination of Executive, Non Executive – Independent Directors, which is in conformity with the requirement of Clause 49 of the Listing Agreement with Stock Exchanges.

The present strength of the Board is eight (8) Directors, comprising of Chairman – Executive Director, one Promoter Director, two Whole Time Directors and four Independent & Non Executive Directors. 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 – Executive	Chairman
Mr. Naresh Kumar Choudhary	Promoter – Executive	Director
Mr. Rajendra Kumar Choudhary	Promoter – Executive	Whole Time Director
Mr. Ashok Bansal	Professional – Executive	Whole Time Director
Mr. Vinod Kumar Agrawal	Independent – Non Executive	Director
Mr. V.K. Pandit	Independent - Non Executive	Director
*Mr. N.K. Jain	Independent – Non Executive	Director
*Mr. Rajan Menda	Independent - Non Executive	Director
**Mr. Gouri Sankar Sarkar	Independent – Non Executive	Additional Director
**Mr. Mrugen Shah	Independent – Non Executive	Additional Director

* Resigned w.e.f. 14th August, 2010.

** Appointed as an Additional Director w.e.f. 14th August, 2010.

b) Board Meetings and attendance of Directors:-

During the financial year ended on 31st March 2010, seven (7) Board Meetings were held on the following dates:-

18th April, 2009, 23rd June, 2009, 31st July, 2009, 25th September, 2009, 30th October, 2009, 29th January, 2010 and 9th March, 2010.

The gap between two consecutive Meetings did not exceed three months.

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 1A 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 31st July, 2009	# No. of Directorship held in other Companies	Committee Memberships / Chairmanships	
				Membership	Chairmanship
Mr. Suresh Kumar Choudhary	2	Present	2	-	-
Mr. Naresh Kumar Choudhary	7	Present	2	-	-
Mr. Rajendra Kumar Choudhary	7	Present	3	3	3
Mr. Ashok Bansal	7	Present	-	-	1
Mr. Vinod Kumar Agrawal	6	Present	1	7	1
Mr. V.K. Pandit	2	Present	-	-	-
Mr. N.K. Jain	2	Present	-	-	-
Mr. Rajan Menda	3	Present	-	1	2

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

The necessary disclosure 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.

c) Information of Directors’ Appointment / Re-appointment:-

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

Mr. Ashok Bansal aged – 46 years, designated as “Whole Time Director” is a Chartered Accountant by qualification having an experience of more than 23 years in the field of accounts, taxation, corporate restructuring and finance. He is holding 21,821 equity shares of Bilpower Limited.

Mr. Vinod Kumar Agrawal aged – 55 years, designated as Non Executive & Independent Director, is a Bachelor of Commerce having to his credit, an experience of more than 24 years in the field of Accounts, finance and Packaging Industry. Mr. Vinod Kumar Agrawal is the member of Audit, Remuneration, Shareholders’ Grievance and Issue Committee i.e. Committee for conversion of warrants into equity shares. He is holding 4,700 equity shares of Bilpower Limited.

Mr. Gouri Sankar Sarkar aged – 59 years, is an Electrical Engineer by qualification. He has been associated with premier largest Public Sector Undertakings like; Power Grid Corporation of India Ltd., National Thermal Power Corporation Ltd., Engineers India Ltd., MECON (India) Ltd. And Disergarh Power Supply Company at different level starting from working/middle level executive to senior/top managerial positions from more than three decades.

Mr. Gouri Sankar Sarkar has been appointed as an “Additional Director” of the Company w.e.f. 14th August, 2010 by the Board of Directors in its meeting held on 14th August, 2010. He does not hold any equity shares of Bilpower Limited.

Mr. Mrugen Shah aged – 31 years, is a Chartered Accountant by qualification having an experience in the field of accounts, taxation & audit.

Mr. Mrugen Shah has been appointed as an “Additional Director” of the Company w.e.f. 14th August, 2010 by the Board of Directors in its meeting held on 14th August, 2010. He does not hold any equity shares of Bilpower Limited.

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 as on 31st March, 2010 is as follows:-

Name of the Members	Position	Category	Attendance
Mr. Rajan Menda	Chairman	Independent & Non Executive Director	3
Mr. Rajendra Kumar Choudhary	Member	Whole Time Director	4
Mr. Vinod Kumar Agrawal	Member	Independent & Non Executive Director	3

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.

During the financial year 2009-10, four (4) Audit Committee meetings were held as under –
23rd June, 2009, 31st July, 2009, 30th October, 2009 and 29th January, 2010.

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 and includes 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 Director – Finance and the Statutory Auditors are invited to the meeting.

4. Remuneration Committee:-

a) Composition and attendance:-

The Remuneration Committee as on 31st March 2010 comprises of three members out of which 2 are Independent & Non Executive Directors. The Chairman of the Remuneration Committee is a Non-executive and Independent Director. The composition of Remuneration Committee as on 31st March, 2010 is as follows:-

Name of the Members	Position	Category
Mr. Rajan Menda	Chairman	Independent & Non Executive Director
Mr. Rajendra Kumar Choudhary	Member	Whole Time Director
Mr. Vinod Kumar Agrawal	Member	Independent & Non Executive Director

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, 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 of Three (3) Directors. The quorum for functioning of the committee is any two (2) Directors present. The composition and attendance of Shareholders' / Investors' Grievance Committee as on 31st March, 2010 is as follows:-

Name of the Members	Position	Category	Attendance
Mr. Rajendra Kumar Choudhary	Chairman	Whole Time Director	1
Mr. Vinod Kumar Agrawal	Member	Independent & Non Executive Director	1
Mr. Rajan Menda	Member	Independent & Non Executive Director	1

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 share department of the Company and registrar and transfer agents, System Support Services attend expeditiously to all



grievances / correspondences of the shareholders and investors, received directly or through SEBI, Stock Exchanges, Department of Corporate Affairs, and Registrar of Companies etc. The complaints are generally resolved within 30 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 2009 to 31st March 2010:-

Brought Forward	Received Afresh	Disposed	Carried Over
Nil	2	2	Nil

d) Compliance Officer:-

Mr. Ajay Parikh 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. Issue Committee (Committee for Convertible Warrants) :-

a) Terms of Reference:-

The Company on 23rd February, 2008 had issued 20,00,000 warrants @ Rs.350/- (Rs. 10/- being the face value and Rs.340/- being the share premium) convertible into equivalent number of equity share within a period of 18 months from the date of allotment of the warrants. The said Committee had been constituted to approve the allotment of convertible warrants and conversion of warrants into equity shares on preferential basis.

b) Composition and Attendance:-

The said committee comprised of two Members namely Mr. Ashok Bansal and Mr. Vinod Kumar Agrawal.

The committee in its meeting held on 22nd August, 2009 has canceled entire 20,00,000 convertible warrants to Promoters / Others on preferential basis. Subsequently, the committee stands dissolved.

7. 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 2009-10"

Rajendra Kumar Choudhary
Whole Time Director

8. General Body Meetings:-

a) Details of the last three Annual General Meetings of the Company are given below:-

Financial Year	AGM	Date	Locations	Time	No. of Special Resolutions Passed
2006-07	18th	22nd September, 2007	Goregaon Sports Club, Link Road, Malad (West), Mumbai – 400 064	05.30 pm.	6
2007-08	19th	31st July, 2008	Goregaon Sports Club, Link Road, Malad (West), Mumbai – 400 064	05.30 pm.	Nil
2008-09	20th	31st July, 2009	Goregaon Sports Club, Link Road, Malad (West), Mumbai – 400 064	05.30 pm.	Nil

b) All the special resolutions indicated above were passed by show of hands. No resolution was put through Postal Ballot during the year under reference.

9. Subsidiary Company:-

As on 31st March, 2010, the Company does not have any material non-listed Indian subsidiary company in term 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. The minutes of the meetings of the board of directors of Tarapur Transformers Limited, subsidiary company are placed before the board of directors of the Company and the attention of the directors is drawn to significant transactions and arrangements entered into by the subsidiary company.

10. Compliance with other mandatory requirements:-

1) Disclosures:-

a) 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.

b) 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.

c) 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.

d) CEO / CFO Certification:-

In line with the requirements of Clause 49 (V) of the Listing Agreement, the Managing 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, 2010 were reviewed to the best of their 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.

e) Statutory Compliance, Penalties and Strictures:-

The Company has complied with all requirements of the Listing Agreements entered with Stock Exchanges as well as regulation and guidelines of SEBI. Consequently, there were no strictures or 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.

11. 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 Economic Times Marathi: Maharashtra Times
Any website, where results or official news are displayed.	www.bseindia.com www.nseindia.com
Whether Management Discussion & Analysis Report is a part of the Annual Report or not.	Yes, it is part of Annual Report As Annexure - I

12. General Shareholder Information:-

a) 21st Annual General Meeting:-

Date : 30th September, 2010
Venue : Goregaon Sports Club, Link Road, Malad (West), Mumbai – 400 064
Day and Time : Thursday, 5.30 pm.

b) Financial Calendar:-

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

For the Financial Year 2010-11, Financial Results will be announced as per the following tentative schedule.

1st Quarter ending June 2010	By 14th August 2010
2nd Quarter & Half Year ending September 2010	By 14th November 2010
3rd Quarter ending December 2010	By 14th February 2011
4th Quarter / year ending March 2011	Within 60 days from 31st March, 2011
Annual General meeting for the Year 2010-11	By September 2011

c) Book Closure & Dividend:-

Date of Book Closure : Monday, 27th September, 2010 to Thursday, 30th September, 2010 (both days inclusive)
Dividend payment date : After 30th September, 2010



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 2010-11 to both the above exchanges.

f) Custodial Fees to Depositories:-

The Company has paid the custodial fees for the year 2010-11 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on the basis of number of beneficial accounts maintained by them as on March 2010.

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 2009-10:-

Month	BSE Share Price (Rs.)				NSE Share Price (Rs.)				BSE Midcap Sensex			
	Open	High	Low	Close	Open	High	Low	Close	Open	High	Low	Close
April - 09	99.00	118.10	94.20	103.00	97.40	115.25	95.55	103.40	2969.59	3698.99	2958.94	3513.86
May - 09	108.10	132.00	86.50	126.60	108.55	131.80	86.05	124.70	3565.50	5087.77	3565.50	5056.74
June - 09	132.00	144.25	112.10	131.95	130.70	146.95	112.00	131.85	5128.63	5542.29	4787.33	5076.34
July - 09	130.35	185.65	120.10	185.65	131.80	187.55	120.10	187.55	5091.18	5635.50	4518.98	5571.02
Aug - 09	191.00	191.00	160.00	164.85	189.50	191.00	157.00	164.95	5590.81	5911.60	5297.86	5882.97
Sep - 09	164.05	194.00	159.00	176.45	167.60	191.90	158.00	176.50	5908.64	6325.26	5742.80	6324.16
Oct - 09	174.00	194.00	155.80	172.25	176.00	195.00	157.00	171.45	6329.24	6709.56	5989.82	6014.30
Nov - 09	172.00	200.00	155.05	172.10	170.10	180.00	156.05	172.65	5993.97	6562.48	5771.05	6415.47
Dec - 09	173.50	210.00	162.50	181.40	174.00	202.70	161.15	180.75	6447.76	6759.70	6387.61	6717.82
Jan - 10	184.85	216.00	177.95	188.85	180.20	215.40	176.90	188.80	6746.69	7153.87	6276.91	6509.80
Feb - 10	192.90	205.00	164.00	180.60	191.80	193.40	165.00	180.35	6499.97	6730.62	6294.53	6397.82
Mar - 10	180.00	194.15	160.00	164.05	187.00	193.50	161.00	164.05	6429.54	6839.83	6429.54	6806.18

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

i) Share price performance in comparison to BSE Midcap Sensex:-

Financial Year	% Change	
	Bilpower	Sensex
2009-10	65.71%	129.20%

• Source: www.bseindia.com

j) 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, Next to Parke Davis,

Saki Naka, Andheri Kurla Road, Andheri (East),

Mumbai – 400072 Maharashtra, India

Tel. No. 91 (22) 2850 0835 Email: syss72@yahoo.com

k) Share Transfer System:-

Presently, the share transfers received by the R&TA of the Company are processed and returned within a period of 30 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 30 days. The Company obtains from a Company Secretary in practice half yearly certificate of

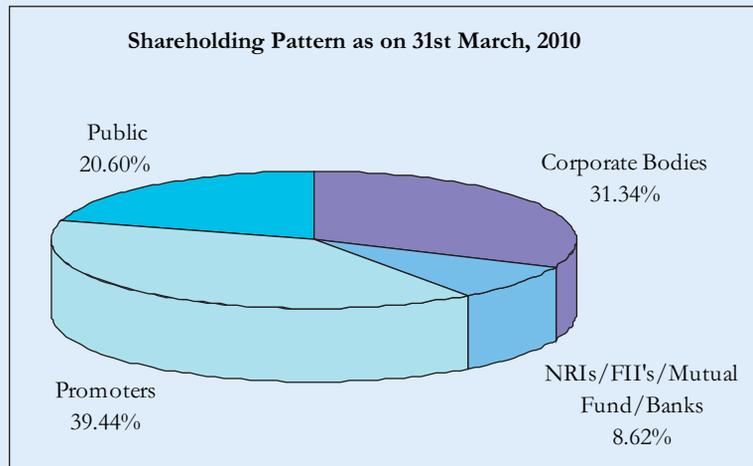
compliance with the share transfer formalities as required under clause 47 (c) of the Listing Agreement and files a copy of the certificate with BSE and NSE.

l) **Distribution of Shareholding as on 31st March, 2010:-**

Range of Shareholding	Number of Shareholders	% of Total	Number of Shares	% of Total
1 - 5000	5928	98.62	1202502	11.45
5001 - 10000	27	0.45	202471	1.93
10001 - 20000	17	0.28	255964	2.44
20001 - 30000	9	0.15	221439	2.11
30001 - 40000	2	0.03	77277	0.74
40001 - 50000	3	0.05	137147	1.30
50001 - 100000	6	0.10	412715	3.93
100001 and above	19	0.32	7991285	76.10
Total	6011	100.00	10500800	100.00

m) **Shareholding pattern (category wise) as on 31st March, 2010:-**

Category	Number of Shares held	% of Total Shareholding
Promoters (Incl. Person Acting in Concert)	4141084	39.44
Financial Institutions / Banks	500	0.00
Insurance Companies	893588	8.51
NRI / Foreign Institutional Investors	11422	0.11
Bodies Corporate	3290852	31.34
Public	2163354	20.60
Total	10500800	100.00



n) **Dematerialization of shares and liquidity:-**

- About 99.26% of the shares have been dematerialized as on 31st March 2010.
- Trading in the shares of the Company is permitted in dematerialized form only as per notification issued by SEBI.

o) **Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and its impact on equity:-**

Nil



p) Plant / Unit locations:-

The Company has the following manufacturing units –

Baroda Unit

440-441 & 446, G. I. D. C. Industrial Estate, POR, Ramangamdi, Dist – Baroda, State - Gujarat.

Export Unit

447, G.I.D.C. Industrial Estate, POR, Ramangamdi, Dist – Baroda, State – Gujarat.

Karad Unit

Unit No. 4 & 5, Survey No. 2/2/2, Madhuban Dam Road, Village. Karad, Silvassa, D & NH.

Uttaranchal

D-10 & 11, Raipur Notified Area, Near Bhagwanpur, Roorkee, Dist – Haridwar, Uttaranchal.

Kanchad

Village – Kanchad, Taluka – Wada, Dist – Thane.

q) Address for correspondence:-

The Compliance Officer, Bilpower Limited,

201- Vikas Chambers, 2nd Floor, Junction 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 are also put on the Company's website www.bilpower.com and also available on www.sebidifar.nic.in. 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
Chairman

Mumbai, 14th August, 2010

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 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, 2010.

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

(Manoj Agrawal)
Partner

Membership No. 107624

Mumbai, 14th August, 2010

AUDITORS' REPORT

To The Members of BILPOWER Limited

1. We have audited the attached Balance Sheet of BILPOWER Limited as at 31st March 2010, the Profit & Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended), issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a) 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 Accounts as required by law have been kept by the Company so far as appears from our examination of these books;
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d) In our opinion, the Balance Sheet, the Profit & Loss Account and Cash Flow Statement dealt with by this report are in compliance 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 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as director in terms of clause (g) of sub Section (1) of section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with the notes thereon give the Information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - 1) In the case of Balance Sheet, of the State of Affairs of the Company as at 31st March, 2010;
 - 2) In the case of Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - 3) In the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

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

(Manoj Agrawal)
Partner

Mumbai, 18th May, 2010

Membership No. 107624



ANNEXURE TO THE AUDITORS' REPORT

As required by the Companies (Auditor's Report) Order, 2003 (as amended), issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we further report that –

- 1) In respect of its fixed assets:
 - (a) The Company is maintaining proper records showing full particulars including quantitative details and situations of fixed assets.
 - (b) These fixed assets have been physically verified by the management at reasonable intervals. No material discrepancy has been reportedly noticed on such verification.
 - (c) In our opinion, the company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- 2) In respect of its inventories:
 - (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of the verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of Inventory followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - (c) The Company has maintained proper records of Inventory and the discrepancies noticed on such verifications between the physical inventory and book records were not material. Packing & sample material and stores & spares purchased are written off as expenses in the year of purchase.
- 3)
 - (a) The Company has granted unsecured loans and advances to Two parties covered in the register maintained under section 301 of the Act. The maximum amount involved during the year and the year end balance of such loans aggregate to Rs. 795.35 Lacs and 750.35 Lacs respectively.
 - (b) In our opinion, the rate of interest, wherever applicable and other terms and Conditions of loans given are not prima facie prejudicial to the interest of the Company.
 - (c) The parties are repaying the principal amounts, where applicable and are also regular in payment of interest, as and where stipulated.
 - (d) In respect of the aforesaid loans, there is no overdue amount of more than Rupees one Lac.
- 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 particulars of contracts or arrangements entered in the register maintained in pursuance of section 301 of the Companies Act, 1956:
 - (a) To the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts or arrangements that needed to be entered into the register have been so entered.
 - (b) According to the information and explanations given to us, each of the transactions made in pursuance of such contracts / arrangements in excess of Rs. Five Lacs in respect of any party during the year, have been made at prices which are reasonable having regards to the prevailing market prices 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 there under. Therefore, the provision of clause (vi) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- 7) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- 8) As explained to us by the Management, the Company is not required to maintain the cost records under section 209 (1) (d) of the Act.
- 9)
 - (a) The Company is generally regular in depositing Provident Fund dues with appropriate Authorities.
 - (b) According to the records of the Company, undisputed material statutory dues including, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income – Tax, Sales – Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities, except some delays in payment of Sales Tax, Service Tax and TDS. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2010 for a period of more than six months from the date of becoming payable except Rs 1780/- towards Profession Tax liabilities.

- (c) The disputed statutory dues aggregating to Rs. 2.75 Lacs that have not been Deposited, on account of matters pending before appropriate authorities are as under: -

(Rs. in Lacs)

Sr. No.	Name of the Statute	Nature of the dues	Period to which the amount relates	Forum where dispute is pending	Amount
1.	Income Tax Act 1961	Income Tax	A.Y. 1996-97	ITAT (effect to CIT Appeal order pending)	2.75
Total					2.75

- 10) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- 11) Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the company has not defaulted in the repayment of dues to financial institutions and banks.
- 12) According to the information and explanations given to us, the Company has maintained adequate records where ever its receivables are secured by way of pledge of shares.
- 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 there in. 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 its subsidiary from banks. 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 information and explanation given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- 17) According to the information and explanation given to us and an overall Examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilised any amount from short term sources towards long term investments.
- 18) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- 19) The Company has not raised any money by public issue during the year. Therefore, the provisions of clause 4 (xx) of the Companies (Auditor's Report) Order 2003 (as amended) are not applicable to the Company.
- 20) As per the information and explanations given to us and on the basis of examination of records, no material fraud on or by the Company has been noticed or reported during the course of our audit.

Other Clauses of the aforesaid order are not applicable to the Company and hence our remarks on them are not required to be made.

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

(Manoj Agrawal)
Partner

Mumbai, 18th May, 2010

Membership No. 107624



BALANCE SHEET AS AT - 31ST MARCH 2010

	Schedule	2009-10	2008-09
(Rs.in Laacs)			
I. SOURCES OF FUNDS			
1) Shareholders' Funds			
Share Capital	"A"	1050.08	1050.08
Convertible Warrants		-	700.00
Reserves & Surplus	"B"	12888.00	10886.48
2) Loan Funds	"C"		
Secured Loans		18396.27	11498.77
Unsecured Loans		3.07	3.07
3) Deferred Tax Liability		489.62	354.84
		<u>32827.04</u>	<u>24493.24</u>
II. APPLICATION OF FUNDS			
1) Fixed Assets	"D"		
Gross Block		6939.71	6007.13
Less - Depreciation		639.41	356.79
Net Block		<u>6300.30</u>	5650.34
Capital Work in Progress & Advance as Capital Account		115.36	626.82
		<u>6415.66</u>	<u>6277.16</u>
2) Investments	"E"	2018.94	1411.94
3) Current Assets, Loans & Advances	"F"		
Inventories		7877.45	7331.57
Sundry Debtors		21606.25	14401.10
Cash & Bank Balances		1092.45	688.35
Loans & Advances		3388.43	1654.15
		<u>33964.58</u>	<u>24075.17</u>
Less : Current Liabilities & Provisions	"G"		
Current Liabilities		9345.92	7035.86
Provisions		229.08	238.99
		<u>9575.00</u>	<u>7274.85</u>
Net Current Assets		<u>24389.58</u>	16800.32
4) Miscellaneous Expenditure		2.86	3.82
		<u>32827.04</u>	<u>24493.24</u>
Significant Accounting Policies and Notes to the Accounts	"M"		

Schedules "A" To "M" form part of the Accounts.

As per our attached report of even date.

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

Manoj Agrawal
Partner
Membership No.107624

Mumbai, 18th May, 2010

For and on behalf of the Board

N.K.Choudhary
Managing Director

R.K.Choudhary
Director

Mumbai, 18th May, 2010

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED - 31ST MARCH 2010

(Rs.in Lacs)

	Schedule	2009-10	2008-09
I INCOME			
Sales (Net)		45641.32	42963.38
Other Income	“H”	224.16	31.45
		<u>45865.48</u>	<u>42994.83</u>
II EXPENDITURE			
Cost of Sales	“I”	42166.50	39000.76
Office & Administrative Expenses	“J”	410.78	412.71
Selling & Distribution Expenses	“K”	107.89	77.22
Financial Expenses	“L”	990.38	1173.42
Depreciation		282.65	201.50
Miscellaneous Expenditure W/off		0.95	0.95
		<u>43959.15</u>	<u>40866.56</u>
III PROFIT BEFORE TAX		1906.33	2128.27
Provision for Taxation			
- Provision for Income Tax		(313.52)	(270.12)
- Provision for Deferred Tax		(134.78)	(192.32)
		<u>1458.03</u>	<u>1665.83</u>
- Income Tax - Earlier Years		57.75	(55.36)
IV PROFIT AFTER TAX		1515.78	1610.47
Balance Brought forward from Previous Year		6058.81	5210.44
AMOUNT AVAILABLE FOR APPROPRIATION		<u>7574.59</u>	<u>6820.91</u>
Appropriation :			
- Final Dividend on Equity Shares		189.01	189.01
- Tax on Dividend		25.25	23.09
- Transfer to General Reserve		550.00	550.00
BALANCE CARRIED TO BALANCE SHEET		<u>6810.33</u>	<u>6058.81</u>
Earning Per Share (Refer Note (B) 9 of Schedule “M”)			
- Basic & Diluted		14.43	15.34
Face Value of Equity Shares (In Rs.)		10.00	10.00

Significant Accounting Policies and Notes to the Accounts

“M”

Schedules “A” To “M” form part of the Accounts.

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

N.K.Choudhary
Managing Director

Manoj Agrawal
Partner
Membership No.107624

R.K.Choudhary
Director

Mumbai, 18th May, 2010

Mumbai, 18th May, 2010



CASH FLOW STATEMENT FOR YEAR ENDED - 31ST MARCH 2010

(Rs. in Lacs)

	2009-10	2008-09
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax & Extra Ordinary Items	1906.33	2128.27
Adjustment for -		
- Deferred Revenue Expenditure	0.95	0.95
- Depreciation	282.65	201.50
- (Profit) / Loss on sale of assets	0.04	4.73
- Dividend on Long Term Investment	(55.29)	(44.06)
- Interest Paid (Net)	846.74	1085.67
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2981.42	3377.06
Adjustment for -		
- Debtors, Loans & Advances	(8836.03)	(2517.04)
- Inventories	(545.88)	(2013.35)
- Current Liabilities and Provisions	2312.55	2452.17
Cash generated from operations	(4087.94)	1298.84
Decrease in Provision for Taxation	(373.73)	(310.92)
CASH FLOW FROM OPERATING ACTIVITIES	(4461.67)	987.92
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(421.38)	(2581.72)
Sale of Fixed Assets	0.20	63.33
Investment in Subsidiaries	(607.00)	-
Sale of Investments	-	30.00
Dividend on Long Term Investment	55.29	44.06
NET CASH USED IN INVESTING ACTIVITIES	(972.89)	(2444.33)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Total Proceeds from borrowings (Net of repayments)	6897.50	2271.63
Interest paid (Net)	(846.74)	(1085.67)
Dividend Paid	(189.01)	(189.01)
Dividend Tax Paid	(23.09)	(26.10)
NET CASH FROM FINANCING ACTIVITIES	5838.66	970.85
Net Increase / (Decrease) in Cash and Cash Equivalents	404.10	(485.56)
Cash and Cash Equivalent at beginning of the year	688.35	1173.91
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	1092.45	688.35

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.

Schedules "A" To "M" form part of the Accounts.

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**N.K.Choudhary**

Managing Director

Manoj Agrawal

Partner

Membership No.107624

R.K.Choudhary

Director

Mumbai, 18th May, 2010

Mumbai, 18th May, 2010

SCHEDULE FORMING PART OF BALANCE SHEET

(Rs.in Lacs)

	2009-10	2008-09
SCHEDULE (A) - SHARE CAPITAL		
Authorised		
20000000 (20000000) Equity Shares of Rs 10/- Each	<u>2000.00</u>	<u>2000.00</u>
Issued, Subscribed & Paid Up		
10500800 (10500800) Equity Shares of Rs. 10/- Each	<u>1050.08</u>	<u>1050.08</u>
	<u>1050.08</u>	<u>1050.08</u>

Note :- Out of 10500800 Equity Shares, 15 Lakh Equity Shares have been Allotted to Erstwhile Shareholders of Sun Transtamp Private Limited in Consideration of Amalgamation of that Company with Bilpower Limited.

SCHEDULE (B) - RESERVES & SURPLUS

Securities Premium Account	3480.00	3480.00
Capital Reserves (Amount Forfeited on Warrants not Exercised)	700.00	-
Reserve (Arising Out of Amalgamation)	356.55	356.55
General Reserves	1541.12	991.12
Profit & Loss Account	<u>6810.33</u>	<u>6058.81</u>
	<u>12888.00</u>	<u>10886.48</u>

SCHEDULE (C) - LOANS FUNDS

Secured Loans		
Fixed Loan from Banks	3799.66	31.75
Other Loan from Banks	14596.61	11467.02
Unsecured Loans		
Other Loans from Banks	<u>3.07</u>	<u>3.07</u>
	<u>18399.34</u>	<u>11501.84</u>

Note -

- Bills Discounting (other than those Bills which are backed by Letter of Credit) and Cash Credit Facilities are secured by Hypothecation of Stock, Book Debts and all other current assets. The Facilities are further collaterally Secured by way of EMT of Office Premises and furniture therein, Factory Building at Baroda, Land & Building at Roorkee, 1600000 Equity Shares of Promoters and Plant & Machinery at Baroda. These Facilities are personally Guaranteed by Mr. Naresh Kumar Choudhary & Mr. Rajendra Kumar Choudhary, the Directors of the Company.
- Corporate loan is secured against EMT of 2.5 Acre of land existing building and Plant & Machinery at Kanchad.
- Auto Loans are secured against respective Vehicle.
- Bills which are backed by Letter of Credit are Discounted by offering Security of these Bills only.

SCHEDULE - "D"- FIXED ASSETS

(Rs. in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 14.2009	Additions	Deductions	As at 31.03.2010	Upto 14.2009	Deductions	For the year	Upto 31.03.2010	As at 31.03.2010	As at 14.2009
Land	263.65	0.02	-	263.67	-	-	-	-	263.67	263.65
Lease hold land	24.54	-	-	24.54	1.25	-	0.25	1.50	23.04	23.29
Building & Premises	1106.47	597.24	-	1703.71	77.12	-	40.52	117.64	1586.07	1029.35
Plant & Machinery	4267.46	329.74	-	4597.20	174.94	-	208.50	383.44	4213.76	4092.52
Vehicle	203.98	0.03	-	204.01	58.33	-	21.61	79.94	124.07	145.65
Furniture & Fixture	62.26	2.49	0.27	64.48	18.87	0.03	4.29	23.13	41.35	43.39
Jewellery & Ornament	11.13	0.27	-	11.40	-	-	-	-	11.40	11.13
Office Equipment	67.64	3.06	-	70.70	26.28	-	7.48	33.76	36.94	41.36
Grand Total	6007.13	932.85	0.27	6939.71	356.79	0.03	282.65	639.41	6300.30	5650.34
Capital WIP	626.82	93.78	605.24	115.36	-	-	-	-	115.36	626.82
Total	6633.95	1026.63	605.51	7055.07	356.79	0.03	282.65	639.41	6415.66	6277.16
Previous Year	4125.58	3770.40	1262.03	6633.95	160.57	5.28	201.50	356.79	6277.16	3965.01



SCHEDULE FORMING PART OF BALANCE SHEET

				(Rs.in Lacs)	
				2009-10	2008-09
SCHEDULE (E) - INVESTMENTS					
Equity Shares, Unquoted, Valued At Cost					
		Qty			
		<u>2009-10</u>	2008-09		
I	In Subsidiary				
	Tarapur Transformer Ltd. (F.V. Rs. 10/- P.Y.Rs.2/-)	8085595	35427975	1540.94	940.94
	Bil Energy Systems Ltd. (F.V. Rs. 10/-)	70000	-	7.00	-
II	In Associates				
	Choudhary Global Ltd (F.V. Rs. 10/-)	1750000	1750000	350.00	350.00
	Nik San Eng. Co. Pvt. Ltd. (F.V. Rs. 10/-)	400000	400000	120.00	120.00
III	In Others				
	The GBCB Ltd (F.V. Rs. 10/-)	4000	4000	1.00	1.00
				<u>2018.94</u>	<u>1411.94</u>
SCHEDULE (F) - CURRENT ASSETS, LOANS & ADVANCES					
I	Inventories				
	(As Taken, Valued & Certified by the Management)				
	Raw Material			1391.41	144.57
	Work-in-Progress			3330.10	3743.12
	Finished Goods			3155.94	3443.88
				<u>7877.45</u>	<u>7331.57</u>
II	Sundry Debtors				
	(Unsecured, Considered Good by the Management)				
	Outstanding for Periods Exceeding Six Months			6370.63	714.00
	Other Debts			15235.62	13687.10
				<u>21606.25</u>	<u>14401.10</u>
III	Cash & Bank Balances				
	A. Balance With Scheduled Banks				
	In Current Accounts			65.13	32.33
	In Deposit Accounts and as Margin			1014.93	637.21
				<u>1080.06</u>	669.54
	B. Cash in Hand			12.39	18.81
				<u>1092.45</u>	<u>688.35</u>
IV	Loans & Advances				
	(Unsecured, Considered Good by the Management)				
	Income Tax & TDS (Net of Provision)			103.41	-
	Prepaid Expenses			77.44	33.43
	Advances Recoverable in Cash or Kind or for Value to be Received			2391.70	1012.32
	Loan & Advance to Subsidiary				
	Share Application Money			-	500.00
	Other Advances			750.35	15.50
	Deposits			65.53	92.90
				<u>3388.43</u>	<u>1654.15</u>

SCHEDULE FORMING PART OF BALANCE SHEET

	(Rs.in Lacs)	
	2009-10	2008-09
SCHEDULE (G) - CURRENT LIABILITIES & PROVISIONS		
I Current Liabilities		
Bills Payable	-	1999.42
Sundry Creditors		
Due to MSME	58.65	-
Due to Others	9066.82	4923.94
Trade Advances	69.97	35.88
Unclaimed Dividend	5.75	3.76
Other Current Liabilities	144.73	72.86
	<u>9345.92</u>	<u>7035.86</u>
II Provisions		
Provision for Taxation(Net Of Income Tax & Tds)	-	14.57
Proposed Dividend	189.01	189.01
Tax on Proposed Dividend	25.25	23.09
Provision for Gratuity	14.82	12.32
	<u>229.08</u>	<u>238.99</u>

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

	(Rs.in Lacs)	
	2009-10	2008-09
SCHEDULE (H) - OTHER INCOME		
Dividend Income		
From Subsidiary	53.14	37.43
From others	2.15	6.63
Miscellaneous Income	1.43	1.63
Duty Drawback	7.57	-
Exchange Rate Income	147.45	(17.04)
Labour Charges	12.42	-
Hire Charges	-	2.80
	<u>224.16</u>	<u>31.45</u>
SCHEDULE (I) - COST OF SALES		
Opening Stock	7331.57	5318.22
Purchases	41963.20	40154.18
Custom Duty & License	376.36	644.17
Clearing & Forwarding Charges	101.59	68.88
Excise Duty on Closing Stock of Finished Goods	1.63	6.41
Stores & Spares Consumed	14.75	9.07
Transportation Charges	86.84	51.77
Insurance Charges on Imports	0.63	0.94
Wages	34.81	33.51
Power & Fuel	44.67	17.05
Other Direct Expenses	87.90	28.13
	<u>50043.95</u>	<u>46332.33</u>
Less - Closing Stock	7877.45	7331.57
	<u>42166.50</u>	<u>39000.76</u>



SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

	(Rs.in Lacs)	
	2009-10	2008-09
SCHEDULE (J) - OFFICE & ADMINISTRATIVE EXPENSES		
Payment to & Provisions for Employees		
Salaries, House Rent Allowance and Bonus	237.43	235.76
Contribution / Provision to and for -		
Provident And other Funds	17.76	16.67
Staff Welfare	7.60	4.33
Travelling & Conveyance	48.23	48.77
Postage, Telegram & Telephone	11.07	12.00
Entertainment Expenses	0.66	1.52
Electricity Charges	5.75	5.50
Legal & Professional Charges	25.12	22.62
Insurance Charges on Assets	1.40	0.21
General Expenses	12.65	14.74
Stamp & Stamp Paper Charges	14.03	5.98
Rent, Rates & Taxes	21.63	26.86
Printing & Stationery	6.09	6.62
Prior Period Expenses	-	5.16
Loss on Sales of Assets	0.04	4.73
Repairs & Maintenance	1.32	1.24
	<u>410.78</u>	<u>412.71</u>
SCHEDULE (K) - SELLING & DISTRIBUTION EXPENSES		
Advertisement Expenses	3.49	4.50
Clearing & Forwarding Expenses	63.09	35.22
Packing Expenses	18.71	12.19
Bad Debts Written off	6.53	-
Brokerage & Commission on Sales	0.38	0.11
Fair & Exhibition Expenses	9.78	16.43
Business Promotion	5.91	8.77
	<u>107.89</u>	<u>77.22</u>
SCHEDULE (L) - FINANCIAL EXPENSES		
Interest on Fixed Loans	240.00	4.22
Other Interest	606.73	1081.45
Bank and Other Financial Charges	143.65	87.75
	<u>990.38</u>	<u>1173.42</u>

SCHEDULE – “M”

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

A. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES -

1. 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.

2. 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 are identified materialized.

3. 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.

4. 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.

5. 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 up to 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.

6. Inventories

- (a) Inventories are valued at lower of cost or net realizable 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 Realizable 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.

7. 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.

8. 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.

**9. Taxation**

- (a) Tax expenses for an 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 realization, as the case may be.

10. 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.

11. 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.

12. 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.

13. 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.

14. 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 recognized when significant risks and rewards of ownership of the goods have passed to buyer which generally coincides with delivery. Export sales are accounted for on the basis of date of Bill of Lading. 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 recognized when the right to receive the dividend is unconditional.

15. 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 2010 include Trade Investments, investment in Subsidiaries and Associates.

16. 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. Further, during the year under consideration, Tax on distributable Profits is calculated on the net amount after adjusting the Dividend amount received from Subsidiary.

17. 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.

B. NOTES FORMING PART OF THE ACCOUNTS

1. During the year ended 31st March 2008, the company had issued 2000000 warrants to promoters/others, who paid 10% of the issue price, carrying right to subscribe for equal number of fully paid equity shares of Rs. 10/- each with in 18 months from the date of allotment of the warrants. Balance in this account, consequent to non – exercise of conversion option by the allottees, has been transferred to capital reserve.

2. Contingent Liabilities

(Rs. in lacs)

Sr. No.	Particular	As at 31st March 2010	As at 31st March 2009
(a)	Income Tax demands including interest which is under dispute and pending in appeals.	434.35	127.41
(b)	Claims not acknowledged as debts	0.44	0.44
(c)	Sales Tax demands including interest, under dispute.	-	108.55
(d)	Guarantee given to custom department (margin of Rs. 2.88 Lacs is available).	2.16	2.16
(e)	Guarantees Outstanding given on behalf of subsidiary company	6.98	44.12
(f)	Guarantees outstanding	205.00	60.00
(g)	Custom duty on pending export obligation against import of machinery	706.15	706.15
(h)	On account of probable violation of certain statues for which amount is uncertain	N.A.	N.A.
(i)	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.	N.A.	N.A.
(j)	Custom Duty (Pending in appeal)	18.38	18.38

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

3. C.I.F. Value of Imports, Expenditures and Earnings in Foreign Currency

(Rs. in Lacs)

Sr. No.	Particular	2009-2010 Amount	2008-2009 Amount
(a)	C.I.F. Value of Imports		
	Raw Material	4055.78	4597.67
	Capital Goods	248.55	1894.91
(b)	Expenditure in Foreign Currency		
	Traveling Expenses	1.65	3.52
	Berlin Fair Expenses	7.72	17.98
	Bank Charges	135.00	123.37
	FCNR Loan Interest	158.12	0.00
(c)	Earnings in Foreign Currency	Nil	219.52

4. 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.

5. 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	Subsidiary Company
2)	Bil Energy Systems Limited.	Subsidiary Company
3)	Niksan Engineering Co. Pvt. Limited	Associate
4)	Choudhary Global Limited	Associate
5)	Shri Suresh Kumar Choudhary	Key Management Personnel
6)	Shri Naresh Kumar Choudhary	Key Management Personnel
7)	Shri Rajendra Kumar Choudhary	Key Management Personnel
8)	Shri Ashok Bansal	Key Management Personnel
9)	TRC Power	Proprietary concern of Relative of KMP



(b) Related Party Transactions

(Rs. in Lacs)

Sr. No.	Nature of transactions	Nature of Relationship				Total of Transaction
		Subsidiaries	Associates	Key Management Personnel (KMP)	Relatives of KMP & Their Proprietary Concern	
1	Purchases of Goods/ Fixed Assets	-	17.33	-	-	17.33
		(2.01)	(1.47)	-	-	(3.48)
2	Sale of Goods	503.43	1074.64	-	165.28	1743.35
		(230.21)	(1115.66)	-	-	(1345.87)
3	Interest Income	-	7.63	-	-	7.63
		-	(5.62)	-	-	(5.62)
4	Receiving of Services	-	-	96.00	-	96.00
	Payment of Remuneration	-	-	(96.00)	-	(96.00)
5	Finance (Including Loans and Equity Contributions In Cash or Kind)					
	A) Loans & Advances Received	321.21	-	-	-	321.21
		-	(25.00)	-	-	(25.00)
	B) Loans & Advances Given	759.99	-	-	-	759.99
		(1389.75)	-	-	-	(1389.75)
6	Investment (Subscription of equity shares)	607.00	-	-	-	607.00
		-	-	-	-	-
7	Dividend Received	53.14	2.00	-	-	55.14
		(37.42)	(2.00)	-	-	(39.42)
8	Outstanding Payable.	5.10	-	-	-	5.10
		(2.01)	(1.47)	-	-	(3.48)
	Receivable	1174.23	328.51	-	137.60	1640.34
		(604.87)	(171.16)	-	-	(776.03)

NOTE : Figures In Brackets Relate to Previous Year.

6. Deferred Tax Liability Statement

(Rs. in Lacs)

Particulars	Deferred tax Liability/asset As at 1-4-2009 Amount	Current Year Changes Amount	Deferred tax Liability/asset As at 31-3-2010 Amount
Deferred Tax Liabilities			
Difference between book and tax depreciation	357.72	131.90	489.62
(A)	357.72	131.90	489.62
Deferred Tax Assets			
Disallowance u/s. 43 B	2.88	(2.88)	0.00
(B)	2.88	(2.88)	0.00
Deferred Tax Liability (Net)	354.84	134.78	489.62

7. Turnover Details

(Rs. in Lacs)

Sr. No.	Class of Goods	Opening Stock		Production & Purchase	Turnover		Closing Stock	
		Qty. (M.T.)	Amt.	Qty.(M.T.)	Qty. (M.T.)	Amt.	Qty. (M.T.)	Amt.
1	Lamination / Stampings/ Electrical Steel Sheet	2995.758	3443.88	40251.864	39840.774	45107.840	3406.848	3155.94
		(3339.465)	(2759.35)	(48201.58)	(48545.29)	(41288.66)	(2995.757)	(3443.88)
2	Others (In Nos.)	-	-	817127.00	817127.00	533.48	-	-
		(512004)	(31.43)	(7987191)	(8499195)	(1674.72)	(-)	(-)

Note : 1. Figures in Brackets relate to Previous year.

8. (A) Material Consumed / Used

(Rs. in Lacs)

Particulars	2009-2010		2008-2009	
	QTY.(MT)	Amount	QTY.(MT)	Amount
CRGO/CRNGO /HRGO/ HRNGO /Electrical Steel Strips/ Coils / Sheets	40251.86	41655.40	48201.58	37329.06

(B) Imported and Indigenous Consumption

(Rs. in Lacs)

Particulars	2009-2010		2008-2009	
	Amount	%	Amount	%
Imported	3893.54	9.35	3546.87	9.50
Indigenous*	37761.86	90.65	33782.19	90.50
Total	41655.40	100.00	37329.06	100.00

* Indigenous consumption includes imported material purchased locally.

9. Earnings Per Share (Eps)

(Rs. in Lacs)

Particular	2009-2010	2008-2009
Profit after tax -(Rs. In Lacs)	1515.78	1610.47
Weighted average number of Equity Shares		
-Basic and Diluted	10500800	10500800
Earning Per Share (in Rs.)		
-Basic and Diluted	Rs.14.43	Rs.15.34

10. Payment to Auditors Included in Legal & Professional Fees Represents

(Rs. in Lacs)

Particular	2009-2010	2008-2009
As Auditors	8.61	7.60
Tax Audit Fees	1.40	1.40
Company Matters	0.97	0.70
Certification & Other jobs	-	-
Service Tax	0.99	0.93
Total	11.97	10.63

11. During the year the company has remitted dividend to Non resident shareholders in Indian Rupees Rs.0.31 lacs (Previous Year Rs 0.48 lacs)



12. Managerial Remuneration

A) Paid to Executive Directors & CEO.

(Rs. in Lacs)

Particular	2009-2010	2008-2009
Salaries & Perquisites	119.33	118.82
Contribution to Provident Fund	6.70	7.91
Total	126.03	126.73

B) The computation of net profit in accordance with section 349 of the Companies Act, 1956 and remuneration payable to Directors and Managers u/s 198

Particulars	2009-10	2008-09
Profit Before tax as per Profit and Loss account	1906.33	2128.27
Add: Managerial Remuneration	126.03	126.73
Depreciation as per P&L	282.65	201.50
Loss on sale of Fixed asset	0.04	4.73
Total	2315.05	2461.23
Less: Profit on sale of Fixed assets	-	-
Depreciation u/s 350	282.65	201.50
Net Profit for Section 198	2032.40	2259.73
Maximum permissible managerial remuneration as per section 198 of the Companies Act, 1956 @ 11% computed above	223.56	248.57
Restricted as per service Agreement	126.03	126.73

13 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.

14. Corporate Guarantee Given by the Company

The Company has given irrevocable and unconditional corporate guarantee to banks on behalf of Tarapur Transformers Ltd., a subsidiary of the Company for Working Capital facilities & Term Loans.

15. Term Deposit Receipts, wherever obtained, are endorsed in favour of Banks and Government Departments against Margin for Bank Guarantee, L/C Facilities etc.
16. Sales are net of Sale Returns, Rebates & Discounts Rs 69.65 lacs (Previous Year Rs 56.51 Lacs).
17. Repairs and maintenance in other direct expenses comprises of repairs and maintenance to machinery of Rs. 8.48 Lacs (Previous Year Rs. 5.97 Lacs)
18. Sundry Debtors include Rs. 329.88 Lacs being the amount due from a Company, in which some of the directors are interested as directors. (Previous Year Rs 169.69 Lacs), and Rs. 423.88 Lacs due from Subsidiary. (Previous Year Rs. 89.38 Lacs)
19. Loans & Advance include Rs. 750.35 Lacs due from Subsidiary (Previous Year 515.50 Lacs). The maximum amount involved during the year Rs. 750.35 Lacs (Previous Year 743.56 Lacs).
20. Some of the Creditors / Debtors / Loans / Advances are subject to Confirmations and resultant reconciliation, if any.
21. a.) Expense pertaining to previous years Rs. NIL Net of Income Nil (Previous year net of expenses, Income Rs. 5.16 Lac).
- b.) Other Interest is net of interest income of Rs. 434.08 Lacs (TDS Rs 79.27 Lacs) [(Previous year Rs.201.86 Lacs (TDS Rs. 35.98 Lacs)].
22. Bills Payable represent Bills of Exchange drawn by suppliers in favour of Bank.
23. Sundry Debtors as on the date of Balance sheet are Net of amounts received after discounting of Letter of Credits.
24. Previous Year Figures have been regrouped / Re cast / rearranged wherever necessary.

25. Information required in terms of Part IV to Schedule VI of the Companies Act, 1956 is attached
BALANCE SHEET ABSTRACT AND COMPANY GENERAL BUSINESS PROFILE

(Rs. in Lacs)

I REGISTRATION DETAILS

Registration Number (CIN No.)	L51420MH1989PLC053772
State Code	11
Balance Sheet date	March 31, 2010

II CAPITAL RAISED DURING THE YEAR

Public Issue	-
Rights Issue	-
Bonus Issue	-
Private Placement	-

III POSITION OF MOBILIZATION AND DEPLOYMENT OF FUND

Total Liabilities	32827.04
Total Assets	32827.04

Sources of Funds

Paid up Capital	1050.08
Reserves & Surplus	12888.00
Secured Loans	18396.27
Unsecured Loans	3.07
Deferred Tax Liability	489.62

Application of Funds

Net Fixed Assets	6415.66
Investment	2018.94
Net Current Assets	24389.58
Miscellaneous Expenditure	2.86
Accumulated Losses	-

IV PERFORMANCE OF THE COMPANY

Turnover	45865.48
Total Expenditure	43959.15
Profit before Tax	1906.33
Profit after Tax	1515.78
Earning per Share in Rs. (Basic & Diluted)	14.43
Dividend Rate %	18.00

V GENERIC NAMES OF THREE PRINCIPAL / SERVICES OF THE COMPANY (as per monetary terms)

Item Code No. (ITC Code)	805049000
	48109900
Product Description	Electrical Lamination Stamping (Stator & Motor)

As per our attached report of even date.

For Bansal, Bansal & Co.

Chartered Accountants
 Firm Regn. No. 100986W

Manoj Agrawal

Partner
 Membership No.107624

Mumbai, 18th May, 2010

For and on behalf of the Board

N.K.Choudhary
 Managing Director

R.K.Choudhary
 Director

Mumbai, 18th May, 2010



**STATEMENT PURSUANT TO SECTION 212 OF COMPANIES ACT, 1956,
RELATING TO SUBSIDIARIES COMPANY.**

(Rs. in Lacs)

Company Name	Financial Year of the Subsidiary ended on	Extent of the Holding company's Interest (%)	Net aggregate amount of Profit of the subsidiary, so for as it concerns the members of the holding company				Additional Informations under Sec. 212(5)
			Not dealt with in the holding company's Accounts		Dealt with in the holding company's Accounts		
			For the financial Year of the subsidiary	For the previous Financial Year since they become subsidiary	For the financial Year of the subsidiary	For the previous Financial Year since they become subsidiary	
Tarapur Transformers Limited	31.03.10	73.51	143.74	274.01	Nil	Nil	N.A.
Bil Energy Systems Limited	31.03.10	100	(2.07)	0	Nil	Nil	N.A.

Note :- As the financial year of the subsidiary company coincides with the Financial Year of the Holding Company, Section 212 (5) of the Companies Act, 1956, is not applicable.

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF BILPOWER LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BILPOWER LIMITED AND ITS SUBSIDIARIES

1. We have audited the attached Consolidated Balance Sheet of **BILPOWER Limited** (the Company) and its subsidiaries as at 31st March 2010, the Consolidated Profit & Loss Account and also the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis separate financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The financial statement of Indian subsidiary, viz, Tarapur Transformers Ltd. whose financial statements reflect total assets of Rs. 4547.18 Lacs as at 31st March, 2010 and total revenue of Rs. 3298.63 Lacs and cash flow amounting to Rs. 213.60 Lacs for the year then ended, have been audited by Raman S. Shah & Associates. These financial statements audited by them whose report has been furnished to us, and our opinion, in so far relates to the amounts included in respect of subsidiary, is based solely on their report.
4. We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 21, "Consolidated Financial Statements", and other applicable Accounting standards issued by the ICAI, except for the matter referred to in paragraph 3 above and Note No. B (1) (a) (I) of Schedule "M".
5. On the basis of the information and explanations given to us and on the consideration of the separate audit reports on the individual audited financial statements of BILPOWER LIMITED and its subsidiary, we are of the opinion that the said consolidated financial statements read with the notes thereon give the Information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of Consolidated Balance Sheet, of the Consolidated State of Affairs of the Company and its subsidiaries as at 31st March, 2010;
 - b) In the case of Consolidated Profit and Loss Account, of the Consolidated Profit of the Company and its subsidiaries for the year ended on that date; and
 - c) In the case of Consolidated Cash Flow Statement, of the Cash Flow for the year ended on that date.

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

(**Manoj Agrawal**)
Partner

Mumbai, 18th May, 2010

Membership No. 107624



CONSOLIDATED BALANCE SHEET AS AT - 31ST MARCH 2010

(Rs. in Lacs)

	Schedule	2009-10	2008-09
I. SOURCES OF FUNDS			
1) Shareholders' Funds			
Share Capital	"A"	1050.08	1050.08
Convertible Warrants		-	700.00
Share Application Money		-	90.00
Reserves & Surplus	"B"	13154.74	11137.25
2) Loan Funds			
Secured Loans	"C"	20049.59	12937.63
Unsecured Loans		11.38	12.07
3) Minority Interest			
		414.83	404.14
4) Deferred Tax Liability (Net)			
		597.76	410.38
		<u>35278.38</u>	<u>26741.55</u>
II. APPLICATION OF FUNDS			
1) Fixed Assets			
Gross Block	"D"	8785.61	7552.61
Less - Depreciation		900.50	555.29
Net Block		<u>7885.11</u>	<u>6997.32</u>
Capital Work in Progress & Advances as Capital Account		1682.26	1374.53
		<u>9567.37</u>	<u>8371.85</u>
2) Investments			
	"E"	471.00	471.89
3) Current Assets, Loans & Advances			
Inventories	"F"	8414.95	7986.84
Sundry Debtors		22432.97	15377.04
Cash & Bank Balances		1404.24	786.50
Loans & Advances		3205.75	1446.86
		<u>35457.91</u>	<u>25597.24</u>
Less : Current Liabilities & Provisions			
Current Liabilities	"G"	9884.74	7299.50
Provisions		393.15	408.09
		<u>10277.89</u>	<u>7707.59</u>
Net Current Assets		<u>25180.02</u>	<u>17889.65</u>
4) Miscellaneous Expenditure			
		59.99	8.16
		<u>35278.38</u>	<u>26741.55</u>
Significant Accounting Policies and Notes to the Accounts	"M"		

Schedules 'A' To 'M' form part of the accounts.

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****N.K.Choudhary**
Managing Director**R.K.Choudhary**
Director**Manoj Agrawal**
Partner
Membership No.107624

Mumbai, 18th May, 2010

Mumbai, 18th May, 2010

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR YEAR ENDED - 31ST MARCH 2010

	Schedule	2009-10	(Rs.in Lacs) 2008-09
I INCOME			
Sales (Net)		48223.76	45147.14
Other Income	“H”	<u>224.30</u>	<u>31.58</u>
		<u>48448.06</u>	<u>45178.72</u>
II EXPENDITURE			
Cost of Sales	“I”	44222.89	40679.33
Office & Administrative Expenses	“J”	550.21	504.85
Selling & Distribution Expenses	“K”	129.45	92.06
Financial Expenses	“L”	1038.67	1199.93
Depreciation		345.24	247.84
Miscellaneous Expenditure W/off		<u>4.41</u>	<u>2.40</u>
		<u>46290.87</u>	<u>42726.41</u>
III PROFIT BEFORE TAX		2157.19	2452.31
Provision For Taxation			
- Provision for Income Tax		(363.52)	(361.24)
- Provision for Deferred Tax		<u>(187.38)</u>	<u>(222.31)</u>
		1606.29	1868.76
- Income Tax - Earlier Years		<u>50.22</u>	<u>(74.31)</u>
Net Profit Before Minority Interest		1656.51	1794.45
Minority Interest		10.69	31.43
IV NET PROFIT AFTER TAX		1645.82	1763.02
Balance Brought Forward From Previous Year		6042.26	5204.09
AMOUNT AVAILABLE FOR APPROPRIATION		<u>7688.08</u>	<u>6967.11</u>
Appropriation :			
- Final Dividend on Equity Shares		286.51	264.01
- Tax on Dividend		41.82	35.84
- Transfer to General Reserve		<u>550.00</u>	<u>625.00</u>
BALANCE CARRIED TO BALANCE SHEET		<u>6809.75</u>	<u>6042.26</u>
Earning Per Share (Refer Note (B) 3 of Schedule			
- Basic / of Diluted		15.67	16.79
Face Value of Equity Shares (In Rs.)		10.00	10.00

Significant Accounting Policies and Notes to the Accounts

“M”

Schedules ‘A’ To ‘M’ form part of the accounts.

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

N.K.Choudhary
Managing Director

Manoj Agrawal
Partner
Membership No.107624

R.K.Choudhary
Director

Mumbai, 18th May, 2010

Mumbai, 18th May, 2010



CONSOLIDATED CASH FLOW STATEMENT FOR YEAR ENDED - 31ST MARCH, 2010

(Rs. in Lacs)

	2009-10	2008-09
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax & Extra Ordinary Items	2157.19	2452.31
Adjustment for -		
- Deferred Revenue Expenditure	4.41	2.40
- Depreciation	345.24	247.84
- (Profit) / Loss on sale of assets	0.04	4.73
- Dividend on Long Term Investment - Trade	(55.43)	(44.19)
- Interest Expenses (Net)	875.14	1099.16
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	3326.59	3762.25
Adjustment for -		
- Debtors, Loans & Advances	(8814.81)	(2928.51)
- Inventories	(428.11)	(2128.62)
- Current Liabilities and Provisions	2585.24	2435.93
- Miscellaneous Expenditure	(56.24)	0.20
Cash generated from operations	(3387.33)	1141.25
Decrease in Provision for Taxation	(356.71)	(339.64)
CASH FLOW FROM OPERATING ACTIVITIES	(3744.04)	801.61
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1541.02)	(3473.24)
Sale of Fixed Assets	0.20	63.33
Sale of Investments	0.89	30.00
Dividend on Long Term Investment - Trade	55.43	44.19
NET CASH USED IN INVESTING ACTIVITIES	(1484.50)	(3335.72)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Total Proceeds from borrowings (Net of repayments)	7111.27	3367.25
Proceeds from issue of Share Warrants (Including Premium)	-	90.00
Share Application money	(90.00)	-
Interest paid (Net)	(875.14)	(1099.16)
Dividend Paid	(264.01)	(264.01)
Corporate Dividend Tax Paid	(35.84)	(35.84)
NET CASH FROM FINANCING ACTIVITIES	5846.28	2058.24
Net Increase / (Decrease) in Cash and Cash Equivalents	617.74	(475.87)
Cash and Cash Equivalent at beginning of the year	786.50	1262.37
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	1404.24	786.50

- 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

Manoj Agrawal

Partner
Membership No.107624

Mumbai, 18th May, 2010

For and on behalf of the Board

N.K.Choudhary
Managing Director

R.K.Choudhary
Director

Mumbai, 18th May, 2010

SCHEDULE FORMING PART OF CONSOLIDATED BALANCE SHEET

(Rs. in Lacs)

	2009-10	2008-09
SCHEDULE (A) - SHARE CAPITAL		
Authorised		
20000000 (20000000) Equity Shares of Rs 10/- Each	<u>2000.00</u>	<u>2000.00</u>
Issued, Subscribed & Paid Up		
10500800 (10500800) Equity Shares of Rs. 10/- Each	<u>1050.08</u>	<u>1050.08</u>
	<u><u>1050.08</u></u>	<u><u>1050.08</u></u>

Notes :- Out Of 10500800 Equity Shares, 15 Lakh Equity Shares have been Allotted to Erstwhile Shareholders of Sun Transtamp Private Limited in Consideration of Amalgamation of that Company with Bilpower Limited.

SCHEDULE (B) - RESERVES & SURPLUS

Securities Premium Account	3497.21	3497.21
Capital Reserves	722.71	22.71
Reserve (Arising out of Amalgamation)	356.55	356.55
General Reserves	1821.07	1271.07
Profit & Loss Account	<u>6809.75</u>	<u>6042.26</u>
	<u>13207.29</u>	<u>11189.80</u>
Less: Minority Interest	<u>52.55</u>	<u>52.55</u>
	<u><u>13154.74</u></u>	<u><u>11137.25</u></u>

SCHEDULE (C) - LOANS FUNDS

Secured Loans		
Fixed Loan from Banks	5159.38	1168.86
Other Loan from Banks	<u>14890.21</u>	<u>11768.77</u>
	<u><u>20049.59</u></u>	<u><u>12937.63</u></u>
Unsecured Loans		
Other Loans from Banks	3.07	3.07
Interest Free Sales Tax Loan	<u>8.31</u>	<u>9.00</u>
	<u><u>11.38</u></u>	<u><u>12.07</u></u>

SCHEDULE -D - FIXED ASSETS

(Rs. in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 14.2009	Additions	Deductions	As at 31.03.2010	Upto 14.2009	Deductions	For the year	Upto 31.03.2010	As at 31.03.2010	As at 14.2009
Land	276.68	0.02	-	276.70	-	-	-	-	276.70	276.68
Lease hold land	24.54	-	-	24.54	1.25	-	0.25	1.50	23.04	23.29
Building & Premises	1560.54	602.46	-	2163.00	101.16	-	48.11	149.27	2013.73	1459.38
Plant & Machinery	4860.49	587.21	-	5447.70	289.77	-	235.01	524.78	4922.92	4570.72
Vehicle	249.07	21.69	-	270.76	72.73	-	26.97	99.70	171.06	176.34
Furniture & Fixture	74.16	7.22	0.27	81.11	26.63	0.03	5.30	31.90	49.21	47.53
Jewellery & Ornament	11.13	0.27	-	11.40	-	-	-	-	11.40	11.13
Office Equipment	108.07	14.40	-	122.47	32.73	-	10.20	42.93	79.54	75.34
Goodwill	387.93	-	-	387.93	31.02	-	19.40	50.42	337.51	356.91
Grand Total	7552.61	1233.27	0.27	8785.61	555.29	0.03	345.24	900.50	7885.11	6997.32
Capital WIP	1374.53	1083.73	776.00	1682.26	-	-	-	-	1682.26	1374.53
Total	8927.14	2317.00	776.27	10467.87	555.29	0.03	345.24	900.50	9567.37	8371.85
Previous Year	5431.34	5173.48	1677.68	8927.14	312.72	5.27	247.84	555.29	8371.85	5118.62



SCHEDULE FORMING PART OF CONSOLIDATED BALANCE SHEET

(Rs. in Lacs)

		2009-10	2008-09
SCHEDULE (E) - INVESTMENTS			
		Qty	
		2009-10	2008-09
Equity Shares, Unquoted, Valued at Cost			
I In Associates			
Choudhary Global Ltd.	(F.V. Rs. 10/-)	1750000	1750000
		350.00	350.00
Nik-San Eng. Co. Pvt. Ltd.	(F.V. Rs. 10/-)	400000	400000
		120.00	120.00
II In Others			
Co.Op. Bank of Baroda	(F. V. Rs. 10/-)	-	8750
		-	0.89
The GBCB Ltd	(F.V. Rs. 10/-)	4000	4000
		1.00	1.00
		<u>471.00</u>	<u>471.89</u>
SCHEDULE (F) - CURRENT ASSETS, LOANS & ADVANCES			
I Inventories			
(As Taken, Valued & Certified by the Management)			
Raw Material		1664.91	483.34
Work-in-Progress		3593.41	4010.37
Finished Goods		3156.63	3493.13
		<u>8414.95</u>	<u>7986.84</u>
II Sundry Debtors			
(Unsecured, Considered Good by the Management)			
Outstanding for Periods Exceeding Six Months		6693.55	1186.00
Other Debts		15739.42	14191.04
		<u>22432.97</u>	<u>15377.04</u>
III Cash & Bank Balances			
A. Balance with Scheduled Banks			
In Current Accounts		269.61	58.38
In Deposit Accounts and as Margin		1119.94	703.99
		<u>1389.55</u>	<u>762.37</u>
B. Cash In Hand		14.69	24.13
		<u>1404.24</u>	<u>786.50</u>
IV Loans & Advances			
(Unsecured, Considered Good by the Management)			
Income Tax & TDS (Net off Provision)		109.88	-
Prepaid Expenses		100.99	36.15
Advances Recoverable in Cash or Kind or for Value to be Received		2802.20	1265.11
Deposits		192.68	145.60
		<u>3205.75</u>	<u>1446.86</u>
SCHEDULE (G) - CURRENT LIABILITIES & PROVISIONS			
I Current Liabilities			
Bills Payable		-	1999.42
Sundry Creditors			
Due to Msme		88.51	-
Due to Others		9540.45	5140.21
Trade Advances		76.40	57.88
Unclaimed Dividend		5.75	3.76
Other Current Liabilities		173.63	98.23
		<u>9884.74</u>	<u>7299.50</u>
II Provisions			
Provision for Taxation(Net of Income Tax & TDS)		50.00	95.92
Proposed Dividend		286.51	264.01
Tax on Proposed Dividend		41.82	35.84
Provision for Gratuity		14.82	12.32
		<u>393.15</u>	<u>408.09</u>

SCHEDULE FORMING PART OF CONSOLIDATED PROFIT AND LOSS ACCOUNT

	(Rs.in Lacs)	
	2009-10	2008-09
SCHEDULE (H) - OTHER INCOME		
Dividend Income	55.43	44.19
Miscellaneous Income	1.43	1.63
Duty Drawback	7.57	-
Exchange Rate Income	147.45	(17.04)
Labour Charges	12.42	-
Hire Charges	-	2.80
	224.30	31.58
SCHEDULE (I) - COST OF SALES		
Opening Stock	7986.84	5858.22
Purchases	43731.46	41785.62
Custom Duty & License	376.36	645.88
Clearing & Forwarding Charges	101.59	69.11
Excise Duty on Closing Stock of Finished Goods	1.63	6.41
Stores & Spares Consumed	15.64	11.13
Transportation Charges	116.54	105.12
Insurance Charges on Imports	1.27	1.85
Wages	57.26	52.53
Power & Fuel	69.49	31.90
Other Direct Expenses	179.76	98.40
	52637.84	48666.17
Less - Closing Stock	8414.95	7986.84
	44222.89	40679.33
SCHEDULE (J) - OFFICE & ADMINISTRATIVE EXPENSES		
Payment To & Provisions for Employees		
Salaries, House Rent Allowance and Bonus	309.47	282.36
Contribution / Provision to and For -		
Provident And Other Funds	23.13	20.73
Staff Welfare	11.12	7.06
Travelling & Conveyance	76.77	64.48
Postage, Telegram & Telephone	14.58	14.43
Entertainment Expenses	0.66	1.52
Electricity Charges	5.75	5.50
Legal & Professional Charges	36.56	33.58
Insurance Charges on Assets	1.40	0.21
General Expenses	22.11	19.67
Stamp & Stamp Paper Charges	14.03	5.98
Rent, Rates & Taxes	24.94	30.22
Printing & Stationery	8.00	7.70
Prior Period Expenses / (Income) Adjustments	-	5.16
Loss on Sales of Assets	0.04	4.73
Repairs & Maintenance	1.65	1.52
	550.21	504.85

**SCHEDULE FORMING PART OF CONSOLIDATED PROFIT AND LOSS ACCOUNT**

	(Rs. in Lacs)	
	2009-10	2008-09
SCHEDULE (K) - SELLING & DISTRIBUTION EXPENSES		
Advertisement Expenses	3.59	7.80
Clearing & Forwarding Expenses	78.23	41.12
Packing Expenses	18.71	12.19
Bad Debts Written off	7.86	-
Brokerage & Commission on Sales	4.09	4.07
Fair & Exhibition Expenses	9.78	16.43
Business Promotion	7.19	10.45
	<u>129.45</u>	<u>92.06</u>
SCHEDULE (L) - FINANCIAL EXPENSES		
Interest on Fixed Loans	240.01	4.22
Other Interest	635.14	1094.94
Bank and other Financial Charges	163.52	100.77
	<u>1038.67</u>	<u>1199.93</u>

SCHEDULE – “M”**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AND CONSOLIDATED PROFIT AND LOSS ACCOUNT****A. Statement of Significant Accounting Policies -****1. Depreciation / Amortisation**

Goodwill arising out off acquisition of equity stake in the subsidiary will be amortised in equal amounts over a period of 20 years.

2. 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.

3. Tax on Dividend

Tax on distributable Profits by way of Final Dividend is accounted for in the year to which the declared dividends relate. Further, Tax on distributable Profits in case of Bilpower Limited is calculated on the net amount after adjusting the Dividend amount received from its Subsidiary.

(B) Notes on Accounts**1. Basis of Preparation**

(a) The Consolidated Financial Statements have been prepared in accordance with Accounting Standards 21 on "Consolidated Financial Statements". The Consolidated Financial Statements comprise the financial statements of Bilpower Limited (the Company), its Subsidiaries.

I) The financial statements of the Company and its Subsidiary companies are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, however, intra-group transactions including unrealized profits / losses for the year is not eliminated.

II) The difference between the holding Company's cost of investments in the Subsidiaries, over its portion of equity at the time of acquisition of shares is recognised in the consolidated financial statements as Goodwill.

III) Minority Interest's share in net profit of subsidiary for the year is adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the holding Company. Minority Interest's share in net assets of subsidiary is presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders. Minority Interest in the consolidated financial statements is identified and recognized after taking into consideration:

- The amount of equity attributable to minorities at the date on which investments in a subsidiary is made.
 - The minorities' share of movement in equity since the date parent-subsidiary relationship came into existence.
 - The profit attributable to the minorities are adjusted against the minority interest in the equity of the subsidiary companies.
- IV) The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements except otherwise stated elsewhere in this schedule.
- (b) Significant Accounting Policies and Notes on Accounts of the Financial Statements of the Company and its Subsidiaries are set out in their respective Financial Statements.

2. **The Subsidiaries Considered in the Consolidated Financial Statements is as under**

Name of the Company	Relationship	Country of Incorporation	Proportion of Ownership Interest	Reporting Date
Bil Energy Systems Limited (From 20.02.2010)	Subsidiary	India	100%	31st March, 2010
Tarapur Transformers Limited	Subsidiary	India	73.51%	31st March, 2010

3. **Earnings Per Share (EPS)**

(Rs. in Lacs)

Particular	2009-10	2008-09
Profit after tax	1645.82	1763.02
Weighted average number of Equity Shares		
-Basic and Diluted	10500800	10500800
Earning Per Share (in Rs.)		
-Basic and Diluted	Rs.15.67	Rs.16.79

4. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in the line with Parent Company's Financial Statements.
5. Previous Year Figures have been regrouped / Re cast / rearranged wherever necessary.

As per our attached report of even date.

For Bansal, Bansal & Co.

Chartered Accountants
Firm Regn. No. 100986W

Manoj Agrawal

Partner
Membership No.107624

Mumbai, 18th May, 2010

For and on behalf of the Board

N.K.Choudhary
Managing Director

R.K.Choudhary
Director

Mumbai, 18th May, 2010

**DIRECTORS' REPORT****Dear Members,**

Your Directors have pleasure in presenting their First Annual Report together with the Audited financial Accounts for the period ended 31st March 2010.

1. Financial Results:-

(Rs. in Lacs)

Particulars	2009-10
Gross Turnover & Other Income	-
Loss before interest & Depreciation & Taxation	2.07
Less: Depreciation	-
Less: Provision for Taxation	-
Net Loss for the year	2.07
Loss available for appropriation	2.07

2. Dividend:-

Your Directors are constrained not to recommend any dividend for the year under report.

3. Directors' Responsibility Statement:-

In compliance with Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors state that

- In the preparation of Annual Accounts, the Applicable Accounting Standards have been followed and proper explanations relating to Material discrepancies, if any have been furnished.
- Accounting Policies have been selected and consistently applied and prudent judgments & estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and the Profit & Loss Account of the Company for the Accounting period ended 31st March, 2010.
- Proper & sufficient care is taken for maintenance of adequate Accounting records in accordance with the provision of the Act, so as to safeguard the assets of the Company and to prevent & detect fraud and other irregularities.
- The Annual Accounts have been prepared on going concern basis.

4. Auditors:-

The First Auditors of the Company, M/s. Bansal, Bansal & Co, Chartered Accountants, Mumbai, 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 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.

5. Auditors' Report:-

Remarks in the Auditors' Report are self explanatory and therefore do not call for any further explanation under Section 217 (3) of the Companies Act, 1956.

6. Directors:-

Mr. Suresh Kumar Choudhary, Mr. Naresh Kumar Choudhary & Mr. Rajendra Kumar Choudhary, first Directors, retire by rotation and being eligible offer themselves for re-appointment at the ensuing Annual General Meeting.

The Company has received notices in writing from members proposing the candidature of above directors for the Office of Director liable to retire by rotation.

7. Energy Conservation, Technology Absorption And Foreign Exchange:-

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 Director's) Rules, 1988, with respect to conservation of Energy, Technology outgo is not applicable.

During the year under consideration, the Company spent/incurred foreign exchange equivalent to Rs. Nil. There is no foreign exchange earning during the year.

Other particulars required by the law to be given in Directors' Report are either 'nil' or 'not applicable.'

On behalf of the Board of Directors,
Bil Energy Systems Limited

Mumbai, 14th May, 2010

Director

AUDITORS' REPORT

To The Members of **BIL ENERGY SYSTEMS LIMITED**

1. We have audited the attached Balance Sheet of **BIL ENERGY SYSTEMS LIMITED** as at 31st March 2010 and also the annexed Profit & Loss Account of the Company for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that:
 - a. We have obtained all the information and explanations which to be the best of our knowledge and belief were necessary for the purpose of our Audit.
 - b. In our opinion, the company has kept proper Books of Account as required by Law so far as appears from our examination of these Books.
 - c. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the Books of Accounts.
 - d. In our opinion, the Balance Sheet and the Profit & Loss Account dealt with by this report are in compliance with the Accounting Standards (AS) referred to in Section 211 (3C) of the Companies Act, 1956.
 - e. On the basis of written representations received from the Directors as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as Director in terms of Section 274(I)(g) of the Companies Act, 1956.
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said Accounts read with the notes thereon, give the Information required by the Companies Act 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 1. In the case of Balance Sheet of the State of Affairs of the Company as at –31st March 2010 and
 2. In the case of Profit and Loss Account, of the Loss of the Company for the period ended on that date.

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

(Manoj Agrawal)
Partner

Membership No. 107624

Mumbai, 18th May, 2010



BALANCE SHEET AS AT - 31ST MARCH 2010

		(Rs. in Lacs)	
		Schedule	2009-10
I SOURCES OF FUND			
Shareholders Fund			
a)	Share Capital	“A”	7.00
b)	Reserves & Surplus		-
Unsecured Loans			-
			7.00
II APPLICATION OF FUND			
Current Assets, Loans & Advances		“B”	
a)	Cash & Bank Balance		0.03
b)	Other Current Assets		5.10
c)	Debtors		-
d)	Closing Stock		-
			5.13
Less : Current Liabilities & Provisions		“C”	
a)	Current Liabilities		0.20
b)	Provision for Tax		-
			0.20
Net Current Assets			4.93
Miscellaneous Expenditure			
(To the extent not written off or adjusted)			
Pre Operative Expenses			-
Profit and Loss Account			2.07
			7.00
Significant Accounting Policies & Notes to Account		“D”	

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

(Manoj Agrawal)
 M. No: 107624
 Partner
 Mumbai, 14th May, 2010

For and on behalf of the Board

N.K.Choudhary
 Director

R.K.Choudhary
 Director
 Mumbai, 14th May, 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED - 31ST MARCH 2010

(Rs. in Lacs)

	Schedule	2009-10
I INCOME		-
		<u>-</u>
II EXPENDITURE		
Preliminary Expenses		2.00
Audit Fees		0.05
Bank Charges		0.02
		<u>-</u>
III PROFIT BEFORE TAX		<u>(2.07)</u>
Provision for Tax		
- Current Tax		-
- Deferred Tax		-
- FBT		-
		<u>-</u>
IV PROFIT AFTER TAX		<u>(2.07)</u>
(Balance Carried to Balance Sheet)		
Earning Per Share (Basic/ Diluted)		(2.96)

Significant Accounting Policies & Notes to Account

“D”

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

(Manoj Agrawal)
M. No: 107624
Partner
Mumbai, 14th May, 2010

For and on behalf of the Board

N.K.Choudhary
Director

R.K.Choudhary
Director
Mumbai, 14th May, 2010



SCHEDULES ANNEXED TO & FORMING PART OF BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2010

(Rs. in Lacs)

2009-10

SCHEDULE "A"**SHARE CAPITAL****Authorised Capital**

1,000,000 Equity Share of Rs.10/- Each

100.00

100.00

Issued, Subscribed And Paid Up Capital

70,000 Equity Share of Rs.10/- Each

7.00

(All the Shares are held by the holding company

BILPOWER Limited and its nominees)

7.00

SCHEDULE "B"**CURRENT ASSETS, LOANS & ADVANCES****A) CASH & BANK BALANCES**

1) Cash-in-Hand

-

2) Balance with scheduled bank on Current account

0.03

0.03

B) LOANS & ADVANCES

(Unsecured, considered good)

Advances recoverable in cash or kind or for value to be received

5.10

5.10

SCHEDULE "C"**CURRENT LIABILITIES & PROVISION**

A) Current Liabilities

0.20

B) Provision for Tax

-

0.20

SCHEDULE "D"**ACCOUNTING POLICIES & NOTES ON ACCOUNTS****I ACCOUNTING POLICIES :**

- a) Accounts have been prepared and maintained on the basis of historical cost convention and mercantile system of accounting, unless otherwise stated .
- b) Preliminary expenses are totally recognised in the Profit and Loss Account in Accordance with AS-26.
- c) The Company has not yet started its operation.
- d) Taxes on Income : - Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

II NOTES TO ACCOUNTS

- a) Previous years figures have not been provided, since this is the first year of Company
- b) No amount is payable to any enterprise defined under the Micro Small and Medium Enterprise Development Act 2006 (MSMED Act) as at 31.03.2010
- c) Other information required to be given in the accounts by virtue of schedule VI is either 'NIL' or is 'NOT APPLICABLE' to the company .

SIGNATURES TO SCHEDULES 'A' TO 'D'

For Bansal Bansal & Co.**Chartered Accountants**

Firm Regn.No. 100986W

(Manoj Agrawal)

M. No: 107624

Partner

Mumbai, 14th May, 2010

For and on behalf of the Board**N.K.Choudhary**

Director

R.K.Choudhary

Director

Mumbai, 14th May, 2010

BILPOWER LIMITED

Registered Office: Vikas Chambers, 2nd Floor, Junction of Link & Marve Road,
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Tel.: (91 22) 4089 7777 Fax: (91 22) 2881 1225 Email: investors@bilpower.com