



IMP Powers Ltd.



Stepping up !

**49th Annual Report
2010 - 2011**

BOARD OF DIRECTORS

Shri Ramniwas R Dhoot	Chairman
Shri Ajay R Dhoot	Managing Director
Shri Aaditya R Dhoot	Jt Managing Director
Shri Rajendra Mimani	Director-Marketing (w.e.f. 29.08.2011)
Shri R. T. RajGuroo	Director
Shri Prashant J. Pandit	Director
Shri Jayant N. Godbole	Director
Shri Prakash Bagla	Director
Shri Siby Antony	Director

COMPANY SECRETRY

Milind Jog (up to 31st August 2011)

BANKERS

State Bank of Hyderabad
State Bank of India
Bank of India
The Karnataka Bank Ltd
SBI Commercial and International Bank Ltd (Now State Bank of India)
IDBI Bank Ltd

AUDITORS

Batliboi & Purohit
National Insurance Building, 204,
Dadabhoy Naoroji Road, Fort, Mumbai – 400 001

REGISTERED OFFICE:

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

CORPORATE OFFICE

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

MUMBAI WORKS

85, Government Industrial Estate
Kandivali West, Mumbai – 400067

Registrar & Transfer Agents

Link Intime India (Private) Limited
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup, Mumbai -400078
Tel: 022-25963838; Fax: 25946969

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49th Annual General Meeting

Wednesday, 21st December 2011 at 3.30 p.m. at the Registered office of the Company at
263/3/2/2, Sayli Village, Umerkoin Road, Silvassa 396230, Dadra & Nagar Haveli (U.T.)

Members are requested to bring their copy of the Annual Report to the Annual General Meeting

IMP POWERS LIMITED

NOTICE

Notice is hereby given that the 49th Annual General Meeting of IMP Powers Ltd. will be held on Wednesday, 21st December 2011 at 3.30 p.m. at the Registered office of the Company at Survey No.263/3/2/2, Village Sayali, Umerkoi Road, Silvassa 396230, Dadra & Nagar Haveli (U.T.) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 30th June 2011, the Profit & Loss Account for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To declare a Dividend.
3. To appoint a Director in place of Shri. R. T. RajGuroo who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Shri. Prashant Pandit who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.
"RESOLVED THAT Shri. Rajendra Mimani, who was appointed by the Board of Directors on 29.08.2011 as an Additional Director of the Company and who holds the office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 ('the Act') and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company."
7. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution.
"RESOLVED THAT , pursuant to the provisions of Section 198, 309, 269, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("The Act"), the consent of the members be and is hereby accorded to the appointment of Shri Rajendra Mimani as a Whole-time Director of the Company (designated as "Director-Marketing") for a period of five years with effect from 29th August 2011 on the terms and conditions, including remuneration as set out in the letter of appointment of Shri Rajendra Mimani.
"RESOLVED FURTHER THAT the Board be and is hereby authorized to do such alterations, changes and/or variations in the remuneration payable to Shri Rajendra Mimani as may be agreed between the Directors and Shri Rajendra Mimani provided that the said remuneration as altered, changed or varied shall be within the limits prescribed therefore under Section 198, 309 and/or Schedule XIII of the Act, for the time being and amended from time to time in force"
"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors be and is hereby authorised to do all such acts, matters and things as it may in its absolute discretion deem necessary, expedient or proper."

NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE THERE AT INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO BE IN ORDER MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- b) Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 relating to business under Item No. 6 & 7 as set out above is annexed hereto. The relevant details in respect of Item Nos. 3 & 4 above, as required under Clause 49 of the Listing Agreement with the Stock Exchange are furnished in the statement on Corporate Governance contained in the Annual Report for the year 2010-11.
- c) Members/Proxies should bring the enclosed attendance slip duly filled in, for attending the meeting. Members are requested to bring their copy of the Annual Report to the meeting.

Book Closure & Dividend

- d) The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday 14th December 2011 to Wednesday 21st December 2011 (both days inclusive)
- e) The dividend, if declared at the Annual General Meeting, will be paid on before 20th January 2012 to those persons or their mandatees:
- i) whose names appear as beneficial owners on the date of the meeting in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - ii) whose names appear as Members in the register of members of the Company after giving effect to valid share transfers in physical form lodged with the Registrar and Share Transfer Agent on the date of the meeting.
- f) **Nomination facility**
- Members holding shares in physical form may obtain the Nomination forms from the Company's Registrar & Share Transfer Agent.
 - Members holding shares in electronic form may obtain the Nomination Forms from their respective Depository Participants.
- g) In respect of the matters pertaining to bank details, mandates, nomination, power of attorney, change in name/address, e-mail address etc. the members are requested to approach :
- the Company's Registrar & Share Transfer Agent, in case of shares held in physical form and
 - the respective Depository Participants, in case of shares held in electronic form.
- h) In all correspondence with the Company/Registrar & Share Transfer Agent, members are requested to quote their folio numbers or DP ID and Client ID in respect of Shareholding in physical or electronic form respectively.
- i) A member desirous of getting any information in respect of the contents of the Annual Report is requested to forward the queries to the Company at least seven days prior to the meeting so that the required information can be made available at the meeting.

Regd.Off. :

Survey No.263/3/2/2
Umerkoi Road, Village Sayali
Silvassa, 396230
Dadra & Nagar Haveli (U.T.)

By Order of the Board

**Ramniwas R Dhoot
Chairman**

Place : Mumbai

Date: 14th November 2011

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Annexure to the Notice

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No.6

The Board of the Directors of the Company has appointed Shri. Rajendra Mimani, President-Business Development as Additional Director with effect from 29th August 2011.

As per Section 260 of the Companies Act, 1956, Shri. Rajendra Mimani, holds the office as Additional Director upto the date of this Annual General Meeting. The Company has received a notice pursuant to Section 257 of the Companies Act, 1956 from a shareholder proposing the candidature of Shri. Rajendra Mimani, as Director of the Company alongwith a deposit of Rs. 500/-.

A brief resume of Shri. Rajendra Mimani, is given in the Corporate Governance Report.

None of the Directors except Shri. Rajendra Mimani, in any way, concerned or interested in the said resolution.

Your Directors recommend the resolution at Item No. 6 of the notice for your approval.

Item No. 7

Your Directors have, subject to your approval in the ensuing Annual General Meeting, appointed Shri Rajendra Mimani as the Whole-time Director of the Company (designated as 'Director-Marketing') for a period of five years with effect from 29th August 2011, on the terms and subject to conditions set out in the letter of appointment referred to in the Resolution at Item No. 7 of the Notice. The material terms, including remuneration, of the letter of appointment are as follows:

(A) PERIOD :

Five years with effect from 29th August 2011.

(B) REMUNERATION:

A Salary of Rs. 1,25,000/-, p.m. with liberty to the Board to grant or withhold increments as deemed fit;

(C) OTHER MAJOR TERMS:

- (i) The Director-Marketing shall not, without Board's approval, engage himself in any business, occupation or employment competing with the Company's business;
- (ii) The Director-Marketing shall not divulge or disclose any confidential information or knowledge as to the business and affairs of the Company;
- (iii) Both parties are entitled to terminate the agreement by giving 30 days notice in writing, without assigning any reasons.

Shri Rajendra Mimani is a Bachelor of Commerce and has more than 3 decades rich and varied experience in Marketing. He is associated with the Company for more than 30 years. Shri Rajendra Mimani has, in the past, successfully served the Company in various capacities and is presently the President-Business Development.

The appointment of Shri Rajendra Mimani and payment of remuneration to him as the Whole-time Director has been approved by the Remuneration Committee of the Board of Directors at their meeting held on 29th August 2011. The Remuneration Committee, while approving the appointment of and remuneration payable to Shri Rajendra Mimani as the Director-Marketing, took into account the financial position of the Company, trend in the Industry, experience and expertise of Shri Rajendra Mimani as well as his past performance and past remuneration.

The remuneration payable to Shri Rajendra Mimani as per the letter of appointment complies with the requirements of Schedule XIII of the Companies Act, 1956.

Your Directors are of the view that the appointment of Shri Rajendra Mimani as the Director-Marketing is in the best interest of the Company and shareholders and accordingly, recommend the passing of the resolution at Item No. 7 of the Notice.

None of the Directors except Shri. Rajendra Mimani, is in any way, concerned or interested in the said resolution.

Regd.Off. :

Survey No.263/3/2/2
Umerkoi Road, Village Sayali Silvassa, 396230
Dadra & Nagar Haveli (U.T.)

By Order of the Board

**Ramniwas R Dhoot
Chairman**

Place : Mumbai

Date : 14th November 2011

DIRECTORS' REPORT

To,
The Members,
IMP Powers Ltd.
Silvassa

Dear Shareholders,

Your Directors have pleasure in presenting the 49th Annual Report of your Company and Audited Accounts for the year ended 30th June 2011. While the financial year 2010-11 offered quite a few challenges from the business point of view, the management of your Company could effectively deal with those challenges and pave the way for improving the performance on a sustained basis.

FINANCIAL RESULTS AND APPROPRIATIONS:

(Amount in Lacs)

	Year ended June 30, 2011	Year ended June 30, 2010
Sales	24914.98	19269.53
Other Income	25.78	21.46
Total Sales and Other Income	24940.76	19290.99
Profit before Interest and Finance Charges,		
Depreciation & Taxation	3047.67	2190.30
Less : Interest and Finance Charge	1626.67	1157.24
Less: Depreciation	392.48	350.29
Profit before Taxation	1028.52	682.77
Less: Provision for Taxation		
· Current	229.09	88.66
· Deferred	77.90	135.21
· Fringe Benefit Tax	—	—
Profit After Tax	721.53	458.90
Extra ordinary item	443.50	—
Net Profit	278.03	458.90
Earning per share Before extra ordinary items –Basic	8.75	5.52
Diluted	8.75	5.52
Earning Per Share After extra-ordinary Items Basic	3.30	5.52
Diluted	3.30	5.52

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

OPERATIONS:

Production of transformers for the financial year was increased by 22.65% to 5426 MVA as against 4424 MVA during the previous year and sales in terms of MVA was increased by 28.67% to 5175 MVA as compared to 4022 MVA during the previous year. Your Company recorded a significant growth of 29% in net sales at Rs. 249.41 crores during the year as against Rs.192.90 crores in 2009-10. During the year, your Company also exported transformers worth Rs. 9.25 crores. The Net Profit after Tax (PAT) but before Extra Ordinary Item was higher by 57% at Rs.7.21 crores as compared to Rs.4.59 crores during the previous financial year. One of the important highlights during the year was exit of the Company from the Corporate Debt Restructuring system by payment of recompense which has been provided as the extra-ordinary item and Net Profit after Extra Ordinary Item was Rs.2.78 crores.

Key Achievements

- 50/66 MVA, 161/34.5 KV Power Transformer for export successfully passed Short Circuit test at CPRI Bhopal at first instance. This was the highest rating ever done by Bhopal till date.

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- b) Your Company has also received a prestigious award for most "VALUED CUSTOMER" from CPRI.
- c) During the year under review, your Company has supplied 200MVA -220/110KV Transformer to MSCTCL.
- d) Exit from Corporate Debt Restructuring Cell (CDR)

Yours Directors have great pleasure to announce that your Company is now out of CDR Cell. CDR Empowered Group (EG) also at its meeting held on 19th October 2011 confirmed that Your Company is out of CDR.

This itself is a huge step and shows the inherent strength of your Company in such challenging circumstances.

FUTURE PROSPECTS:

In current scenario, Power Sector is going through radical changes in terms of capacity addition, higher efficiency, increased private players, competitive pricing and improved regulatory framework. The Power requirement in India is expected to grow manifold in the coming years. In addition to capacity addition, Government of India has identified 16 UMPPs out of which 4 UMPPs have already been awarded.

A huge capital investment is required to meet Mission 2012 targets. This has welcomed numerous global companies to establish their operations in India under the famous PPP (public-private partnership) programs. Additional massive capital investment is further required over the subsequent years with the Country's power requisite expected to touch 800,000 MW by 2031-32. Keeping this in mind, there will be a huge growth prospects for the transformer industry in India.

Order flows are likely to improve further for TLT-EPC Companies in Financial year 2012 on account of PGCIL's Capex blueprint for the 12th Plan period (Rs.1000 bn-Rs.1200 bn).

With planned investment outlay of INR 2,800 bn (USD 61bn) during the XI and XII Plans, T & D is expected to grow strongly in the next few years. PGCIL has already spent Rs. 375 bn in the eleventh period out of the targeted investment of Rs.550 bn and the fresh order flows also shows the buoyancy. Investments in T & D sector will continue to grow beyond FY 2012, with PGCIL targeting to spend Rs.1 tn on expanding inter regional transmission capacity to 75.8 GW by FY 2017.

We believe spending by State Electricity Boards on T & D should improve further on the back measures undertaken for targeted improvement of finances of these Boards. Recently, States like Delhi, Rajasthan, Tamil Nadu have taken initiatives to increase tariffs after gap of many years.

Keeping in view all the developments/initiatives, there are prospects for huge growth in the power sector and the demand for the transformers will grow manifold. Your Company is ready to accept the challenges and opportunities to come in the power sector with its 10000 MVA Transformers Production Capacity.

DIVIDEND:

Being the 50th year (Golden Jubilee Year) of your Company, your Directors recommend a dividend of Re.1/- per equity share of Rs.10/- each (i.e. 10%) for the financial year ended on 30th June 2011.

DIRECTORS:

The Board of Directors at its meeting held on 29th August 2011, appointed Shri Rajendra Mimani as Director-Marketing (Whole Time Director) w.e.f. 29th August 2011 as an Additional Director in terms of Section 260 of the Companies Act, 1956. He holds office until the conclusion of the ensuing Annual General Meeting and being eligible, offered himself for regular appointment as Director.

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- In the preparation of the annual accounts for the financial year ended 30th June 2010 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- They have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30th June 2011 and of the profit and loss account of the Company for the year ended on that date;

- They have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956 to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- The annual accounts have been prepared on a going concern basis.

AUDITORS:

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

AUDITORS' REPORT:

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

CORPORATE GOVERNANCE:

As required by the Clause 49 of the Listing Agreements entered with The Bombay Stock Exchange and National Stock Exchange, where the shares of your Company are listed, Management Discussion and Analysis Report, Corporate Governance Report, Auditor's Certificate on compliance of conditions of Corporate Governance are attached to this Annual Report and forms integral part of the Directors' Report.

CODE OF CONDUCT COMPLIANCE:

As per Clause 49 of the Listing Agreement with the Stock Exchanges, the declaration signed by the Jt. Managing Director regarding Code of Conduct Compliance for the financial year ended 30th June 2011 is annexed and forms part of the Directors' Report.

FIXED DEPOSITS:

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

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

Your Company has in place adequate internal control systems commensurate with the nature of its business and the size of its operations. Appointment of M/s Sharp Tannan & Associates as Internal Auditors, strengthened the Internal Control System of your Company substantially.

INSURANCE:

Properties and Assets of the Company are adequately insured.

HUMAN RESOURCES:

Your Company recognizes that people are its principal assets. Company's growth is always dependent upon its ability to attract and retain good quality people. A full-fledged Human Resources Department has been set up which is entrusted with the responsibility of recruiting new talent from the market, retaining and developing skills of the employees of the Company by conducting various trainings in its in house training centre at the Silvassa Factory. Industrial relations at all divisions of the Company remained cordial during the year.

PARTICULARS OF EMPLOYEES:

During the year under review, the Company has not employed any employee whose particulars are required to be disclosed in this report pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) (Amendment) Rules, 2000.

INFORMATION PURSUANT TO SECTION 217(1) (e) OF THE COMPANIES ACT, 1956

a) **CONSERVATION OF ENERGY**

Steps taken for conservations

1. Installation of translucent roof in OLTC shop.
2. Installation of APFC to improve power factor.
3. Installed 10kvar capacitor bank in APFC panel to improve power factor.

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4. Maintained 4% oxy level in thermo pack diesel.
5. Replacement of mercury lamps with metal halide lamps .
6. Started use of LED lamps.
7. Reduction in wastage of energy by optimum use of plant & machinery, air conditioners and lighting in workshops/ offices.

With the help of various measures undertaken by the Company, there is a reduction in consumption of energy. Your Company is making continuous efforts to further reduce energy consumption and consequent cost of production.

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

(Rs in Lacs.)

Particulars	2010-11	2009-10
Foreign Exchange Earning	916.90	1433.50
Foreign Exchange Expenditure	10.00	19.30

ACKNOWLEDGEMENTS:

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from the Shareholders, Financial Institutions, Banks, Employees, Distributors, Suppliers and other business associates.

For and on behalf of Board

(Ramniwas R Dhoot)
Chairman

Date : 14th November 2011

Place: **Mumbai**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Overview:-

Robust growth and steady fiscal consolidation have been the hallmark of the Indian economy in the year 2010-11. India while firing on all cylinders at a time, the global economy was yet again facing uncertainties due to the European debt crisis. Inflation continues to be high even though it has come down significantly from where it was at the start of the fiscal year. Consumption rebounded strongly after having gone through a slump in the earlier year. Double digit rise in investments also indicated that growth momentum was unlikely to falter in near future. The Indian Economy will achieve near 8% growth in financial year 2011-12 despite the global slowdown, while lowering inflation will remain a challenge in the short term.

Outlook on Power Industry

The Indian Power Industry is one of the largest and most important industries in India as it fulfils the energy requirements of various other industries. It is one of the most critical components of infrastructure that affects economic growth and the well-being of our nation.

The power sector made significant progress in 2007 with all its segments registering substantial growth. The capacity addition of 9050 MW was the highest ever achieved in a year. The award of four Ultra Mega Power Projects (UMPPS) holds the promise of still higher capacity addition by the private sector in the coming years.

The Government expects to achieve additional power generation capacity of 16000 MW in the remaining period of the 11th Five Year Plan, i.e. more than half of the total capacity added in the last four years.

With current estimates, Government would still fall short of the revised Five Year Plan Target of 62000 MW, since it would be able to add only about 52000 MW by March 2012. The Planning Commission had cut down the initial capacity addition target of 78000 MW during its mid-term review to 62000 MW. A capacity of over 12000 MW was added in the last fiscal after adding nearly 9600 MW in 2009-10. Prior to that capacity addition was more than 3450 MW (2008-09) and over 9260 MW in 2009-10. The Centre has targeted capacity addition of 100,000 MW each in the 12th Plan (2012-17) and 13th Plan (2017-22), Even though the Ministry has set ambitious capacity addition targets, many projects are facing delays.

The latest figures released by the Central Electricity Authority (CEA) indicates a 5.5% growth in electricity generation in India during the financial year 2010-11. Power generation recorded a CAGR of 5.17% during the period 2001-02 to 2010-11.

Transformer Industry Outlook

The transformer industry is usually divided into Distribution Transformers, Power transformers and other types of special transformers for welding, traction, furnace etc. The industry over the period has matured into reliable suppliers of all types of transformers.

The domestic transformer sector has been going through a challenging phase. There has been margin pressure on account of overcapacity and subdued demand conditions. In last 2-3 years, transformer industry increased its capacity substantially in wake of expected increase in demand from State utilities as well as the private sector. However, private demand remained sluggish as higher interest rate scenario has curbed private capex. Moreover, actual T&D spending by utilities has also been sluggish. The domestic transformer industry continues to operate at lower utilization levels of roughly 60% and the condition is likely to persist in the near-to-medium term.

Transformer Industry has witnessed an overall growth of 15%. Domestic demand is on the rise, however exports have declined by 15% mainly in the Power Transformer segment. Industry experts expressed the last year's growth as "High Volumes but Low Income and need for lever playing field." (Source: IEEMA Report).

Demand for transformers comprises of new demand as well as replacement demand which mainly arises from new power generating capacities and from making the Transmission and Distribution more efficient.

Company Overview:-

Your Company is in the business of manufacturing of Power Transformers with an installed capacity of 10000 MVA. Since Inception, the Company has been able to develop and expand its existence in Indian Transformers manufacturing market. The Company has successfully manufactured and supplied 200 MVA- 220/110 KV Transformer to MSCTCL. The Plant is now geared up to produce up to 400KV Transformers. The Company has also exported 71MVA 330KV Transformer to Africa.

Your Company is addressing the challenges by adopting several measures. There was a successful short circuit test of 50/66 MVA, 161/34.5 KV Power Transformer at CPRI Bhopal at very first instance. This was the highest rating ever done by Bhopal till date. Further, your Company has also received an award for most "VALUED CUSTOMER" from CPRI.

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Towards this, we have an empanelled design team with rich experience and repute. We also have plans for acquiring global technology in defined range from various sources. We expect our transformer business will grow and also be on the forefront technology.

Major Developments during the year:-

Exit from Corporate Debt Restructuring (CDR) Cell.

Your Company is now exited from Corporate Debt Restructuring (CDR) Cell. CDR EG vide its Letter No BY.CDR(PM) No.2595/2011-12 dated 23rd July 2011 had approved the recompense amount for exit of Company from CDR. Your Company is now being considered as out of CDR cell by the lenders under CDR Scheme. The same is conveyed by the lenders to your Company. Corporate Debt Restructuring (CDR) EG has also confirmed the exit of your Company from CDR Cell at its meeting held on 19th October 2011.

Amongst the various challenges and current competitive scenario, your Company has successfully exited from Corporate Debt Restructuring Cell and perform well.

This itself is a huge step and shows the inherent strength of your Company in such challenging circumstances.

Location:-

The Registered office and manufacturing unit of your Company is situated in Silvassa, Dadra and Nagar Haveli. The manufacturing plant at Silvassa is spread out over 5 acres and is fully equipped to manufacture EHV power transformers upto 200 MVA /400 KV voltage class. It enjoys consistent availability of power and water and its proximity to the port and raw material hubs.

Clients:-

Besides having vendor approval from almost all State Electricity Boards and major Turnkey EPC contractors, the Company is approved supplier to Power Grid Corporation of India Limited, NTPC, NHPC and Damodar Valley Corporation. Your Company is also successfully registered in the vendors' list of SAIPEM, Milano.

SWOT Analysis:-

Strengths:

- Your Company is a Government Recognized Export House and has received President's Award for excellent performance in Exports. The Company has been manufacturing transformers ranging upto 200 MVA / 400 KV Class and has state-of-the-art manufacturing facilities and technical skills leading to low failure rate.
- In house state-of-the-art Impulse Generator as well as Vapour Phase Drying Technology.
- Your Company, as you know has a distinct presence in the manufacture of Power & EHV Transformers.
- Broad and global client base which includes Government as well as Private Sector.
- World Class production facilities at Silvassa to manufacture transformers which have been approved by Overseas Consultants and Clients to be among the best.

Weakness and Management Perceptions:

- Raw Materials –The key input and the real cost driver in the transformer industry is the raw material i.e. metal like Copper, CRGO, transformer oil, steel stampings and Aluminium and are subject to fluctuations in prices, which may affect operating margins. Especially there are large fluctuations in copper prices.
- The Industry is highly working capital Intensive.
- Technology upgradations, however, will not be easily attainable due to the lack of adequate testing facilities, skilled manpower shortage, and uncertainty and slowness in the pace of reforms.
- There is a tough competition due to bunching of capacities.

Opportunities:

The low per capita consumption of electricity in India compared to the world average presents significant potential for sustainable growth in the demand for electric power in India. The total energy consumption in India is estimated to grow rapidly creating huge potential for investments in the energy sector in India.

Further the economy of the Country is growing consistently and creating opportunities to all the sectors including power sector. The demand of energy consumption in the country and huge potential investment in the power sector in coming years simply indicates that the outlook for the power sector and for IMP continue to remain bright.

Power Reforms

The Government is going to start new Revised Accelerated Power Development and Reform Program (R-APDRP). As per the policy, they will cover towns with a population of more than 30000 under this project.

Ultra Mega Power Projects

The Government of India is planning nine Ultra Mega Power Projects (UMPP). Four of these projects are expected to be commissioned between 2011 and 2017. The UMPP is an initiative by the Government to collaborate with power generation companies to set up new projects to ease the country's power deficit situation.

Threats And Management Perceptions: -

Execution delays:

Delays in execution could happen due to manpower shortages, natural calamities, political unrests, terrorism, etc.

Fluctuating metal prices:

Metals like copper constitute a high proportion of raw material costs. Significant fluctuating commodity prices could lead to lower margins. Companies which have a higher share of fixed-price contracts are highly vulnerable to fluctuation in commodity prices.

Delay in power generation capacity addition:

Power Transformer Companies' business largely depends on the power generation capacity addition. Execution delays in power generation plants leads to fall in the quantum of orders for equipment players.

Financial Weakness of State Electricity Boards:-

Various State Electricity Boards are facing financial crisis which will result in delay in execution of various power projects undertaken by them.

However, with the huge demand supply gap in the transformer Industry, your Company does not envisage any demand shortage. At the most intense competition in the market due to capacity expansion, there could be some pressure on margins.

Internal Control System

The Company has adequate internal control system commensurate with its size and nature of the business and suitable internal control procedures, optimum resources utilization, veracity of accounts and compliance with various statutes is ensured. The Internal Audit function of your Company is outsourced to a firm of Chartered Accountants. The process, amongst other things reviews and evaluate the effectiveness of the existing process, controls and compliance. Management reviews the observations including recommendations for improvement of the business process before reporting to the Audit Committee. The Audit Committee then reviews the Internal Audit Reports and the status of implementation of the agreed action plan.

Financial Performance:

The financial performance of the Company is discussed in the Directors' Report.

Material Development on Human Resources

Your Company recognizes that people are its principal assets. Company's growth is always dependent upon its ability to attract and retain good quality people. A full-fledged Human Resources Department has been set up which is entrusted with the responsibility of recruiting new talent from the market, retaining and developing skills of the employees of the Company by conducting various trainings in its in house training centre at the Silvassa Factory.

Industrial relations at all divisions of the Company were also very cordial during the year.

Cautionary Statement:

The Management Discussion and Analysis Report contains forward looking statements based upon the data available with the Company, assumptions with regard to Global and Indian Economic Conditions, the government policies etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future. Therefore, it is cautioned that the actual results may materially differ from those expressed or implied in the Report.

IMP POWERS LIMITED

REPORT ON CORPORATE GOVERNANCE

1. An Introduction

A good Corporate Governance ensures high standards of transparency, accountability, ethical operating practices and professional management. Corporate Governance is a system by which Companies are directed and managed.

2. Company's philosophy on Corporate Governance

For your Company, Corporate Governance stands for responsible and value creating management and control of the Company. Your Company is committed to attain high standards of Corporate Governance by ensuring integrity in financial reporting, disclosure of material information, continuous improvement in internal control systems and sound investor relations. Your Company is in compliance of all the requirements of Clause 49 of the Listing Agreement as amended for time to time.

3. Board of Directors :

i) Chairman

Shri Ramniwas R. Dhoot is the Executive Chairman of the Board of Directors.

ii) Composition of the Board

The Board of Directors consisted of 8 directors as on 30th June 2011 with an optimum mix of Executive and Non-Executive independent directors. Out of 8 Directors, 4 i.e (50%) of the directors were non-executive independent directors, 3 directors were the executive promoter- directors as on 30th June 2011, and one Director was a Nominee Director. Mr. Rajendra Mimani was appointed as Director-Marketing (Whole Time Director) w.e.f. 29th August 2011, hence as on date the Board of Directors consisted of 9 Directors.

iii) None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2011 have been made by the Directors.

iv) The names and categories of the Directors on the Board, their attendance at Board Meetings, Annual General Meeting held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other Companies are given herein below. Other Directorships do not contain Alternate Directorships, directorships of foreign companies and directorships of private limited companies. Chairmanship/Membership of Board Committees include only Audit and Shareholders/Investors Grievance Committees.

3.1 Composition and Category of Directors as on 30th June 2011 and the attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of Directorships and Chairman/Memberships of Committees of each Director in various companies other than IMP Powers Ltd.:

Name of the director	Category	Number of other Directorships	Number of other Committee Membership	No of Board Meetings attended	Whether last AGM attended held on 20th December 2010
Mr. Ramniwas R. Dhoot (Chairman)	Promoter-Executive Chairman	0	0	4	Yes
Mr. Ajay R. Dhoot (Managing Director)	Promoter- Executive Managing Director	0	0	4	Yes
Mr. Aaditya R. Dhoot (Jt Managing Director)	Promoter Executive Jt. Managing Director	0	0	4	Yes
Mr. Ramdas T. RajGuroo	Non Executive Independent	1	0	4	Yes
Mr. Prashant J. Pandit	Non Executive Independent	0	0	2	No
Mr. Jayant N Godbole	Non Executive Independent	12	8	4	Yes
Mr. Prakash Bagla	Non-Executive	0	0	3	No
Shri Siby Antony	Non Executive Independent	1	0	3	No

Mr. Rajendra Mimani was appointed as Director-Marketing w.e.f. 29th August 2011.

2 Details of Directors appointed during the year/seeking re-appointment at the ensuing Annual General Meeting:

Name of the Director	Mr. Rajendra Mimani *	Mr. Prashant Pandit	Mr. R. T. RajGuroo
Date of Birth	02 nd April 1952	10 th February 1955	27 th June 1944
Date of Appointment	29 th August 2011	25 th November 2005	25 th November 2005
No. of shares held in the Company	NIL	NIL	NIL
Qualification	B.Com.	B.Com. LL.B.	B.Com., DFM, CAIIB, LL.B., FCS
Expertise in Specific functional area	Mr. Rajendra Mimani is having a very rich and wide professional experience in Marketing and is associated with the Company for more than 35 years.	Mr. Prashant Pandit is a leading advocate and is having experience of more than 30 years and is having expertise in the area of Civil, Criminal and Labour Laws.	Mr. R. T. RajGuroo is a Practicing Company Secretary having expertise in the field of Corporate Laws, Labour and Industrial Laws, Project & Working Capital Financing.

* Appointed as Director-Marketing w.e.f. 29th August 2011, holding office until conclusion of ensuing Annual General Meeting.

3.3 Board meetings

During the year ended 30th June 2011, the Board of Directors met 4 times on the following dates:

- | | |
|-----------------------------------|-----------------------------------|
| 1. 27 th August 2010 | 2. 10 th November 2010 |
| 3. 08 th February 2011 | 4. 05 th May 2011 |

The gap between two meetings did not exceed a gap of four (4) months. All the meetings were held at the Corporate office of the Company.

4. Committees of the Board :

A) Audit Committee :

- i) The Company has a duly constituted Audit committee in accordance with the provisions of Listing agreement and Sec 292A of the Companies Act 1956.

ii) **Brief description of terms of reference:**

The terms of the reference of the Audit Committee are those prescribed under Clause 49 of the Listing Agreement with respect to :-

- Review of Financial results and Financial Statements before submission to the Board for approval to ensure that the financial statements are correct, sufficient and present true and fair view;
 - Review of the adequacy of the internal control system with the Management, Internal Auditors and Statutory Auditors;
 - The Company's financial reporting processes, changes in the Accounting policies;
 - Adequacy of the internal audit function, its structure & effectiveness;
 - Review of financial and risk management system;
 - Defaults if any in payments to Depositors, Debenture holders, Shareholders & Creditors, the adequacy of internal control system;
 - Recommending the appointment and removal of Internal as well as Statutory Auditors, fixation of audit fees.
- The Committee also reviews the observations of the Internal and Statutory Auditors along with the comments and action taken thereon by the management and invites senior executives to its meetings as and when necessary.

iii) **Composition of the Audit Committee:**

The Audit Committee comprises of following Directors:-

Sr. No.	Name of Director	Designation
1	Mr. R.T. RajGuroo	Chairman
2	Mr. Jayant N. Godbole	Jt. Chairman/ Member
3	Mr. Aaditya R Dhoot	Member
4.	Mr. Siby Antony	Member

IMP POWERS LIMITED

Meetings and attendance of the Committee Members during the year:

During the year ended 30th June 2011 the Audit Committee met 4 times on following dates:

- | | |
|-----------------------------------|-----------------------------------|
| 1. 27 th August 2010 | 2. 10 th November 2010 |
| 3. 08 th February 2011 | 4. 05 th May 2011 |

Attendance during the year:-

Sr. No.	Name of Director	No. of Meetings Attended
1	Mr. R.T. RajGuroo	4
2	Mr. Jayant N. Godbole	4
3	Mr. Aaditya R Dhoot	4
4	Mr. Siby Antony	3

B) Shareholders/Investor Grievances Committee :

i) Terms of Reference:

To approve share transfers, transmissions, issue of duplicate share certificates, to review and advise the Company on any grievance in relation to (a) Non-transfer of shares (b) Non-receipt of Annual Report (c) any other grievance raised by any shareholder.

ii) Constitution :-

The Shareholders/Investors Grievance Committee comprises of following Directors:-

Sr. No	Name of the Director	Category
1	Shri R. T. RajGuroo (Chairman)	Independent, Non-Executive
2	Shri Ajay R Dhoot (Member)	Non-Independent
3	Shri Aaditya R Dhoot (Member)	Non-Independent

iii) Meeting and attendance during the year

The Committee met 4 times on following dates:

- | | |
|-----------------------------------|-----------------------------------|
| 1. 27 th August 2010 | 2. 10 th November 2010 |
| 3. 08 th February 2011 | 4. 05 th May 2011 |

Sr. No	Name of the Director	No of meetings attended
1	Shri R. T. RajGuroo (Chairman)	4
2	Shri Ajay R Dhoot (Member)	4
3	Shri Aaditya R Dhoot (Member)	4

iv) Status of Investor Complaints:

No complaints were received from Investors during the year and as on 30th June 2011, there are no complaints pending.

v) Name, Designation and address of Compliance officer :-

Mr. Deepak Shah

VP-Finance & Accounts

IMP Powers Limited

35/C, Popular press building, 2nd floor,

Pt M. M. Malviya Road, Tardeo

Mumbai 400 034

5) Remuneration of Directors :

i) Remuneration paid to Executive directors during the year ended 30th June 2011

Particulars	Shri Ramniwas R Dhoot Chairman	Shri Ajay Dhoot Managing Director	Shri Aaditya Dhoot Jt. Managing Director
Remuneration	Rs. 40,82,498/-	Rs.36,98,160/-	Rs. 31,29,360/-
Total	Rs. 40,82,498/-	Rs. 36,98,160/-	Rs.31,29,360/-

- 1) The Company does not have a Stock Option Scheme and no severance fees are payable.
- 2) No sitting fees is paid to the Executive Directors.
- 3) Directors are not paid any commission for the year ended 30th June 2011.

ii) Remuneration Structure of Non Executive Directors :-

The Non Executive Independent Directors are paid only sitting fees and there is no pecuniary relationship or transaction of Non-executive Independent Directors vis-a-vis the company. Non-executive Directors are not holding any shares of the Company.

6. General Shareholder Information :-

6.1 Registered Office	Survey No. 263/3/2/2, Umar Kuin Road, Sayli Village, Silvassa, U.T.(D& N H) -396230 Telephone : 0260-6538571 Fax : 0260-2681043 Email : investor@imp-powers.com Website : www.imp-powers.com
6.2 Address for Correspondence	35/C, Popular Press Building, 2 nd Floor, Pt. M M Malviya Road, Tardeo , Mumbai -400 034 Telephone : 022-23539180-85 Fax : 022-23539186-87
6.3 Annual General Meeting	Date : Wednesday, 21 st December 2011 Time : 3.30 p.m. Venue : Survey No. 263/3/2/2, Umar Kuin Road, Sayli Village, Silvassa, U.T.(D& N H) Pin Code -396230
6.4 Financial Year	1 st July to 30 th June
6.5 Financial Calendar (tentative)	<ul style="list-style-type: none"> • Results for quarter ending September 30 – within 45 days from the end of the quarter. • Results for the quarter and half year ending December 31– within 45 days from the end of the quarter. • Results for the nine months ending March 31 - within 45 days from the end of the quarter. • Results for the year ending June 30th - Within 60 days from the end of the Financial year Dividend Payment Date : on or before 20 th January 2012
6.6 Date of Book Closure	14 th December 2011 to 21 st December 2011 (Both days inclusive)
6.7 Stock Code & Demat ISIN Number	Bombay Stock Exchange : Stock Code : (517571) Scrip ID : IMPOWERS National Stock Exchange : Symbol : INDLMETER ISIN No : INE065B01013
6.8 Dematerialization of Shares	As on 30 th June 2011, 99.19 % of the paid up equity shares of the Company were held in demat.
6.9 Payment of Listing fees	The Company has paid in advance the Listing fees to both the Stock Exchanges mentioned above for the financial year 2011-2012.
6.10 Registrar and Transfer Agent	The Company has appointed Link Intime India Private Ltd, Mumbai as its Registrar and Transfer Agent. Share Transfers, dematerialization of shares, dividend payment and all other investor related activities are being attended to and processed at the office of the Registrar at the

IMP POWERS LIMITED

	following address ; Link Intime India Private Limited C – 13, Pannalal Silk Mills Compound, L.B.S. Road, Bhandup (West), Mumbai - 400 078. Telephone # 25963838, Fax # 25946969 Email: isrl@linkintime.com
6.11 Share Transfer System	Share Transfer requests in physical form are processed within 30 days from the receipt. The Requests for dematerialization of shares are confirmed within 21 days from the date of receipt. The Company obtains half-yearly certificate of compliance as required under Clause 47(c) of the Listing Agreement from a Company Secretary in Practice and files a copy of the certificate with the Exchanges.
6.12 Plant Locations	a) Kandivali works: 85, Government Industrial Estate, Kandivali (W), Mumbai 400 067 b) Silvassa works: Survey no 263/3/2/2, Umar Kuin Road, Sayli Village, Silvassa (U.T)
6.13 MARKET PRICE DATA : High , Low, during each month (Bombay Stock Exchange & National Stock Exchange)	Annexure A
6.14 Outstanding Warrants convertible, ADR, GDR etc	There were no ADR/GDR outstanding as Company has not issued any ADR, GDR.

6.15 Shareholding Pattern as on 30th June 2011

Category	No. of Equity Shares (f.v. 10/-) held	% of Shareholding
Promoters	4051045	49.79
Banks/Financial Institutions	344206	4.23
Corporate Bodies	1830969	22.50
Indian Public	1828611	22.47
NRI	25697	0.32
Clearing Members	56035	0.69
Total	8136563	100.00

6.16 Distribution of Shareholding as on 30th June 2011 :

Category(shares)	No. of Shareholders	% of Total	No. of Shares Held	% of Total
1 - 500	4674	88.64	584890	7.19
501 - 1000	279	5.29	232839	2.86
1001 - 2000	143	2.71	214482	2.64
2001 - 3000	54	1.02	138589	1.70
3001 - 4000	27	0.52	94634	1.16
4001 - 5000	15	0.29	70435	0.87
5001 - 10000	34	0.64	254610	3.13
10001 - Above	47	0.89	6546084	80.45
Total	5273	100.00	8136563	100.00

6.17 Details of the last three Annual General Meetings:

	(1)	(2)	(3)
Date and Time	20th December 2010 at 2.30 p.m.	15th December 2009 at 3.00 p.m	05.12.2008 at 3.30 p.m.
Venue	Survey No 263/3/2/2 Umar Kuin Road, Sayali Village Silvassa (U.T.)	Survey No 263/3/2/2 Umar Kuin Road, Sayali Village Silvassa (U.T.)	Survey No 263/3/2/2 Umar Kuin Road, Sayali Village Silvassa (U.T.)
Special Resolution(s)	NIL	NIL	NIL

No resolution has been passed through postal ballot during the financial year ended 30th June 2011 and there is no resolution proposed to be passed by Postal Ballot in this Annual General Meeting.

6.18 Disclosures :

- (i) Materially significant related party transactions that may have potential conflict with the interests of company at large
The Company does not have material significant related party transactions, i.e. transactions of the company of material nature with its promoters, directors of the management, or their subsidiaries or relatives etc that may have potential conflicts with the interest of the Company at large. However disclosure of transactions with any related party have been made in the Balance Sheet in Schedule No. 21 notes to Accounts at Note No 17.
- (ii) Non-Compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years None
- (iii) Whistle Blower Policy and affirmation that no personnel have been denied access to the audit committee
The Company has implemented Whistle Blower Policy and we further affirm that no personnel have been denied access to the Audit Committee.
- (iv) Details of Compliance with mandatory requirements and adoption of the non-mandatory requirement of this clause
The Company has complied with mandatory requirements and has adopted the following non mandatory requirements – (a) Whistle Blower Policy (b) None of the independent director on our Board has served for a tenure exceeding nine years.

6.19 Means of Communication :

The quarterly/half yearly unaudited financial results/audited financial results are published in Business Standard (all editions) and in regional newspaper viz. Gandhi Nagar (Western Times). The quarterly/half yearly unaudited financial results/audited financial results are also posted on BSE & NSE as well as on the Company's website i.e. www.imp-powers.com which also contains latest news/press releases. The notices to the shareholders are published in the Asian Age and Gandhi Nagar (Western Times).

6.20 Compliance Certificate of the Auditors:

The Company has obtained a certificate from the Statutory Auditors regarding Compliance of Conditions of Corporate Governance as stipulated in Clause 49 and the same is annexed.

6.21 Declaration on Compliance of Code of Conduct:

Declaration that all the Board Members and Senior Management Personnel have affirmed compliance with the applicable Code of Conduct for the financial year ended 30th June 2011 is annexed.

Annexure A

Monthly High & Low during the last year ended 30th June 2011

Month	BSE		NSE	
	High	Low	High	Low
July 2010	122.00	111.55	113.90	112.60
August 2010	122.00	96.65	101.75	96.40
September 2010	111.40	95.05	102.75	97.50
October 2010	104.90	90.00	92.80	89.00
November 2010	99.80	71.90	74.90	71.90
December 2010	89.85	69.00	78.45	72.50
January 2011	82.95	68.05	71.00	65.25
February 2011	71.80	55.00	66.60	64.35
March 2011	76.90	58.40	67.50	64.50
April 2011	85.00	64.60	81.50	79.60
May 2011	97.00	76.00	93.00	75.15
June 2011	98.00	82.00	96.00	90.00

IMP POWERS LIMITED

Auditors' Certificate regarding Compliance of Conditions of Corporate Governance.

**To The Members of
IMP Powers Limited**

We have examined the compliance of conditions of Corporate Governance by **IMP Powers Limited** for the year ended on 30th June 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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 conditions of the corporate governance. It is neither an audit nor an expression of an 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 the corporate governance as stipulated in the above-mentioned Listing Agreement.

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

**For Batliboi & Purohit
Chartered Accountants
FRN : 101048W**

**CA R.D. Hangekar
Partner
Membership No. 30615**

Date : 14th November 2011

Place: Mumbai

Declaration-Code of Conduct

As per Clause 49 of the Listing Agreement with the Stock Exchanges, all Board and Senior Management Personnel have affirmed compliance with the applicable code of conduct for the year ended 30th June 2011.

For IMP Powers Limited

**Ajay Dhoot
Managing Director**

Place : Mumbai

Date: 14th November 2011

AUDITORS' REPORT

To the Members of IMP Powers Limited

1. We have audited the attached Balance Sheet of **IMP Powers Limited** ('the Company') as at 30th June 2011, the Profit and Loss Account and 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 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 misstatements. 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 (the Order), as amended, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraph 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 account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e) On the basis of the written representations received by the Company from the Directors as on 30th June 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as at 30th June, 2011 from being appointed as a director in terms of Section 274 (1) (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 together with the Significant Accounting Policies and other 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;
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 30th June 2011;
 - ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**For Batliboi & Purohit
Chartered Accountants
FRN: 101048W**

**Place: Mumbai
Dated : 29th August, 2011**

**(CA R. D. Hangekar)
Partner
Membership No. 30615**

IMP POWERS LIMITED

ANNEXURE TO THE AUDITORS' REPORT

With reference to the Annexure referred to in paragraph 3 of the Auditors' Report to the Members of IMP Powers Ltd. on the financial statements for the year ended on 30th June 2011, we report that:

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us, the fixed assets are being physically verified under a phased programme of verification, which in our opinion is reasonable and no material discrepancies have been noticed on such verification.
 - c) The Company has not disposed off substantial part of its fixed assets during the year, accordingly, the assumption of the going concern being affected, does not arise.
- ii) a) Physical verification of inventory has been conducted during the year, by the management at reasonable intervals.
 - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company is maintaining proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) a) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence sub clauses (b), (c) and (d) are also not applicable to the Company.
 - e) The Company has taken unsecured loans from nine Companies, firms & other parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the period under audit was ₹ 26.08 lacs and the year end balance of loans taken from such parties was ₹ 0.30 lacs.
 - f) In our opinion the rate of interest and the other terms and conditions of the unsecured loans taken by the Company are prima facie not prejudicial to the interests of the Company.
 - g) In respect of loans taken, repayment of principal amount is as stipulated and loan taken is interest free.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of our audit.
- v) a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
 - b) The transactions made in pursuance of such contracts or arrangements aggregating during the year to Rupees five lacs or more in respect of each party have been made at prices which are reasonable having regard to prevailing market prices for such goods and materials or the prices at which transactions for similar goods or materials have been made with other parties.
- vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public during the year within the meaning of the provisions of sections 58A and 58AA of the Act read with Companies (Acceptance of Deposits) Rules 1975. Therefore the provisions of clause (vi) of the Order are not applicable to the company.
- vii) In our opinion, and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and the nature of its business.
- viii) We have broadly reviewed the books of accounts maintained by the company pursuant to the order made by the central Government for the maintenance of cost records under section 209(1) (d) of the companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However we have not carried out any detailed examination of such accounts and records.
- ix) a) According to the information and explanations given to us and on the basis of examination of the records of the Company, we are of the opinion that the company has been generally regular in depositing undisputed statutory

dues including Provident fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales tax/VAT, Wealth tax, Customs Duty, Excise Duty, Service tax, Cess and other material statutory dues with the appropriate authorities and there are no outstanding unpaid amounts as at the balance sheet date for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, the dues in respect of income tax, which have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending as given below.

Name of Statute	Nature of dues and year	Amount (₹ Lacs)	Forum where dispute is pending
Income tax Act, 1961	Income tax A.Y. 2008-09	197.73	Commissioner of income tax (Appeals)

- x) The Company does not have accumulated losses as at the balance sheet date and has not incurred cash losses in the current or in the immediately preceding financial year.
- xi) On the basis of our examination and according to the information and explanations given to us, the Company has not repaid of the dues of ₹ 224.65 lacs from 2003 to Greater Bombay Co-operative Bank Ltd, since the said Bank did not join in CDR scheme and also the case is under litigation as mentioned in note no 16 of Notes to Accounts.
- xii) According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- xiii) The Company is not a chit fund / nidhi / mutual benefit fund / society to which the provisions of any special statute apply; accordingly, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- xiv) In our opinion the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of the clause 4(xiv) of the companies (Auditor's Report) order, 2003(as amended) are not applicable to the company.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for the loans taken by others from Bank or Financial Institutions.
- xvi) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans were applied for the purpose for which they were obtained.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we are of the opinion that prima facie there are no funds raised on short-term basis that have been used for long term investment.
- xviii) The Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- xix) During the year covered by our audit, the Company has not issued any debentures.
- xx) The Management has not raised any money by public issues during the year.
- xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of the audit.

For Batliboi & Purohit
Chartered Accountants
FRN: 101048W

Place: Mumbai
Dated : 29th August, 2011

(CA R. D. Hangekar)
Partner
Membership No. 30615

IMP POWERS LIMITED

BALANCE SHEET AS AT 30TH JUNE 2011

	Schedule	Year Ended 30-06-2011 ₹	Year Ended 30-06-2010 ₹
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	01	105,887,630	105,887,630
Reserves & Surplus	02	<u>801,992,107</u>	<u>785,957,101</u>
		907,879,737	891,844,731
LOAN FUNDS			
Secured Loans	03	723,909,017	653,155,470
Unsecured Loans	04	<u>30,000</u>	<u>25,886,693</u>
		723,939,017	679,042,163
Deferred Tax Liabilities (Net of Assets)		36,474,460	28,684,720
TOTAL		<u>1,668,293,214</u>	<u>1,599,571,614</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	05	998,811,340	951,848,295
Less : Depreciation		<u>257,925,008</u>	<u>217,601,713</u>
Net Block		740,886,332	734,246,582
INVESTMENTS	06	101,000	113,000
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	07	591,201,187	590,743,740
Sundry Debtors	08	669,488,821	612,318,145
Cash & Bank Balances	09	17,523,753	34,844,386
Loans & Advances	10	<u>182,133,280</u>	<u>171,841,413</u>
		1,460,347,041	1,409,747,684
LESS : CURRENT LIABILITIES AND PROVISIONS	11	533,041,159	544,535,652
Current Liabilities & Provisions		<u>533,041,159</u>	<u>544,535,652</u>
NET CURRENT ASSETS		927,305,882	865,212,032
TOTAL		<u>1,668,293,214</u>	<u>1,599,571,614</u>

Notes forming part of accounts 21

The Schedules referred to herein form an integral part of the Accounts.

As per our report of even date.

For Batliboi & Purohit

On behalf of the Board of Directors

Chartered Accountants

FRN NO. 101048W

(CA R. D. HANGEKAR)

Partner

M.No.30615

Place : Mumbai

Dated : 29th August, 2011

AJAY R DHOOT
MANAGING DIRECTOR

AADITYA R DHOOT
JT. MANAGING DIRECTOR

MILIND JOG
COMPANY SECRETARY

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2011

	Schedule	Year Ended 30-06-2011 ₹	Year Ended 30-06-2010 ₹
INCOME			
Gross Sales	12	2,729,227,755	2,085,669,622
Less: Excise Duty		237,730,166	158,716,353
Net Sales		2,491,497,589	1,926,953,269
Other Income	13	2,577,937	2,145,858
		2,494,075,526	1,929,099,127
EXPENDITURE			
Raw Material Consumed	14	1,976,447,827	1,549,929,872
(Increase)/Decrease in Stocks	15	(49,050,782)	(75,514,568)
Manufacturing Expenses	16	24,151,028	28,167,237
Salaries, Wages and other employee's benefits	17	91,402,963	78,469,112
Selling Expenses	18	90,163,250	69,222,855
Financial Expenses	19	162,666,659	115,723,963
Depreciation		40,579,545	
Less : Transfer from revaluation reserve		1,331,456	39,248,089
Administrative & Other Expenses	20	56,194,873	59,794,449
		2,391,223,907	1,860,821,932
		102,851,619	68,277,195
PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEM BEFORE TAX			
Less:- Extra- Ordinary Item / Exceptional Items (Refer Note No.20 of Schedule No. 21)		44,350,000	-
Less : Current Tax (Income tax & Wealth tax)		22,908,900	8,866,073
Deferred Tax		7,789,740	13,521,158
		27,802,979	45,889,964
PROFIT / (LOSS) FROM ORDINARY ACTIVITIES AFTER TAX			
NET PROFIT/ (LOSS) FOR THE PERIOD			
BALANCE AVAILABLE FOR APPROPRIATIONS			
APPROPRIATIONS			
Transfer to Bonds Redemption Reserve		5,565,730	5,565,730
Transfer to Pref. Sh. Capital Redemption Reserve		2,450,000	2,450,000
Dividend on Preference Shares		980,000	980,000
Proposed Dividend on equity shares		8,136,563	-
Dividend Distribution Tax		1,319,954	-
Balance carried to Balance Sheet		9,350,732	36,894,234
		27,802,979	45,889,964
Earning per Share (EPS)			
a) Basic & Diluted (EPS) Before Extra Ordinary Item			
Basic		8.75	5.52
Diluted		8.75	5.52
b) Earning per Share After extra-ordinary Items			
Basic		3.30	5.52
Diluted		3.30	5.52

Notes forming part of accounts 21

The Schedules referred to herein form an integral part of the Accounts.

As per our report of even date.

For Batliboi & Purohit**On behalf of the Board of Directors****Chartered Accountants****FRN NO. 101048W****(CA R. D. HANGEKAR)**

Partner

M.No.30615

Place : Mumbai

Dated : 29th August, 2011**AJAY R DHOOT**
MANAGING DIRECTOR**AADITYA R DHOOT**
JT. MANAGING DIRECTOR**MILIND JOG**
COMPANY SECRETARY

IMP POWERS LIMITED

SCHEDULES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 30TH JUNE 2011

	Year Ended 30-06-2011 ₹	Year Ended 30-06-2010 ₹
SCHEDULE 01 : SHARE CAPITAL		
AUTHORISED		
120,02,000 Equity Shares of ₹ 10/- each (P.Y.120,02,000)	120,020,000	120,020,000
30,00,000 Preference Shares of ₹ 10/- each(P.Y. 30,00,000)	30,000,000	30,000,000
11,80,000 Compulsory Convertible Preference Shares of ₹ 161/- each (P.Y.11,80,000)	189,980,000	189,980,000
	340,000,000	340,000,000
ISSUED, SUBSCRIBED		
81,40,963 Equity Shares of ₹ 10/- each fully paid-up (P.Y.81,40,963)	81,409,630	81,409,630
24,50,000 Cumulative Preference Shares of ₹ 10/- each(P.Y.24,50,000)	24,500,000	24,500,000
	105,909,630	105,909,630
PAID UP		
81,36,563 Equity Shares of ₹ 10/- each fully paid-up(P.Y.81,36,563)	81,365,630	81,365,630
Add : Shares Forfeited	22,000	22,000
A	81,387,630	81,387,630
Equity shares includes 11,27,000 shares issued as fully paid up Bonus Shares during 1994-95 by Capitalisation of Revaluation Reserve		
REDEEMABLE PREFERENCE SHARE CAPITAL		
24,50,000 - 4% Cumulative Preference Shares of ₹ 10/- each(P.Y.24,50,000)	24,500,000	24,500,000
Redeemable Preference share along with dividend will be redeemed from 1st April 2013 to 31 st March 2016 in twelve quarterly equal installments.	B 24,500,000	24,500,000
(A+B)	105,887,630	105,887,630
SCHEDULE 02 : RESERVES & SURPLUS		
CAPITAL RESERVE		
Warrant Application Money Forfeited	7,445,000	7,445,000
SHARE PREMIUM		
Balance as per last Balance Sheet	478,401,741	478,401,741
Add : Amount received on Shares forfeited	176,000	176,000
	478,577,741	478,577,741
REVALUATION RESERVE		
Balance as per last Balance Sheet	31,071,196	32,402,652
Less : Depreciation adjusted (Refer note no. 8 of Schedule 21)	1,331,456	1,331,456
	29,739,740	31,071,196
Bonds Redemption Reserve	24,582,020	19,016,290
Add:- During the year	5,565,730	5,565,730
	30,147,750	24,582,020
Pref. Shares Capital Redemption Reserve	11,637,500	9,187,500
Add:- During the year	2,450,000	2,450,000
	14,087,500	11,637,500
	77,226,072	77,226,072
GENERAL RESERVE		
PROFIT & LOSS ACCOUNT		
Balance as per last balance sheet	155,417,572	118,523,338
Net Profit (Loss) for the year	9,350,732	36,894,234
	164,768,304	155,417,572
	801,992,107	801,992,107

SCHEDULES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 30TH JUNE 2011

	Year Ended 30-06-2011 ₹	Year Ended 30-06-2010 ₹
SCHEDULE 03 : SECURED LOANS		
TERM LOANS		
From Financial Institutions & Banks	258,912,992	303,935,658
	<u>258,912,992</u>	<u>303,935,658</u>
WORKING CAPITAL LOANS FROM BANKS		
Cash Credit and Working Capital Loans	399,817,540	288,125,115
	<u>399,817,540</u>	<u>288,125,115</u>
NON- CONVERTIBLE REDEEMABLE BONDS		
556573 4% Non-Convertible Bonds	55,657,300	55,657,300
	<u>55,657,300</u>	<u>55,657,300</u>
OTHER VEHICLE LOANS		
	<u>9,521,184</u>	<u>5,437,397</u>
	<u>723,909,017</u>	<u>653,155,470</u>

Note :

1. Term loans & Bonds from Financial Institutions and Banks are secured by way of first charge on all Fixed Assets of the company, personal guarantee of Promoter Directors and pledge of promoters' shares.
2. Working capital loans from Banks are secured against first charge on all current assets and second charge on all fixed assets of the company and personal guarantee of Promoters Directors.
3. Non convertible Redeemable Bonds including interest will be redeemed from 1st April 2013 to 31 st March 2016 in twelve quarterly equal installments.
4. Vehicle Loans are secured by hypothecation of vehicles.
5. Term Loan payable within 12 months ₹ 878.37 Lacs (P. Y. ₹ 851.20 Lacs)

SCHEDULE 04 : UNSECURED LOANS

FROM DIRECTORS	-	18,295
OTHER LOANS & ADVANCES		
From Others	30,000	25,868,398
	<u>30,000</u>	<u>25,886,693</u>

SCHEDULES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 30TH JUNE 2011

SCHEDULE 05 : FIXED ASSETS

Amount in ₹

Sr. No.	Particulars	GROSS BLCOSK				DEPRECIATION				NET BLOCK	
		As on 1st July' 2010	Additions During the year	Deduction During the Year	As on 30th June 2011	Upto 30th June' 2010	For the Current year	Adjustment on Account of Sales	Total	As on 30th June 2011	As on 30th June ' 2010
1	Free Hold Land	33,051,968	-	-	33,051,968	-	-	-	-	33,051,968	33,051,968
2	Building & HO Building	400,692,794	18,768,702	-	419,461,496	89,407,437	13,516,270	-	102,923,707	316,537,789	311,285,357
3	Plant & Machineries	438,150,790	18,933,283	-	457,084,073	95,600,328	21,150,774	-	116,751,102	340,332,971	342,550,462
4	Dies & Jigs	2,750,150	-	-	2,750,150	2,750,150	-	-	2,750,150	-	-
5	Electrical Installation	18,539,575	-	-	18,539,575	4,673,179	1,172,054	-	5,845,233	12,694,342	13,866,396
6	Air Conditioning Equipments	3,866,559	297,441	-	4,164,000	1,500,843	184,443	-	1,685,286	2,478,714	2,365,716
7	Furniture & Fixtures	23,008,922	227,528	-	23,236,450	9,487,153	1,430,339	-	10,917,492	12,318,958	13,521,769
8	Office Equipments	3,005,726	335,590	-	3,341,316	1,534,815	129,094	-	1,663,909	1,677,407	1,470,911
9	Cars & Vehicles	18,407,211	8,484,233	522,072	26,369,372	5,710,587	1,992,995	256,250	7,447,332	18,922,040	12,696,624
10	Computer & Software	10,374,600	438,340	-	10,812,940	6,937,221	1,003,576	-	7,940,797	2,872,143	3,437,379
	T O T A L	951,848,295	47,485,117	522,072	998,811,340	217,601,713	40,579,545	256,250	257,925,008	740,886,332	734,246,582
	Previous Year	850,119,884	104,227,188	2,498,777	951,848,295	182,632,477	36,360,468	1,391,232	217,601,713	734,246,582	-

NOTES:

- 1 Factory Building at Kandivali and Advent Nariman Point Office Building include an amount of ₹ 250/- representing value of share in Co-operative Housing Society Limited.
- 2 Factory Land and Building thereon at Kandivali works and Advent Nariman Point Office Building are revalued as on 31.03.94. (Refer Note No.15 Schedule 21).

SCHEDULES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 30TH JUNE 2011

	Year Ended 30-06-2011 ₹	Year Ended 30-06-2010 ₹
SCHEDULE 06 : INVESTMENTS		
LONG TERM INVESTMENTS NON TRADE & UNQUOTED		
10 Equity Shares of the Mogaveera Co-Op. Bank Ltd. of ₹ 100/- each fully paid up	1,000	1,000
4000 Equity Shares of The Greater Bombay Co-operative Bank Limited of ₹ 25/- each fully paid-up	100,000	100,000
1200 Equity Shares of EcoMedia Infosystems Pvt. Ltd. of ₹ 10/- each fully paid-up (Refer Note No.21 of Schedule No.21)	-	12,000
	<u>101,000</u>	<u>113,000</u>
SCHEDULE 07 : INVENTORIES (As taken, valued and certified by the Management)		
Raw Materials	158,587,500	207,180,835
Semi Finished Goods	220,447,475	191,949,231
Finished Goods	212,166,212	191,613,674
	<u>591,201,187</u>	<u>590,743,740</u>
SCHEDULE 08 : SUNDRY DEBTORS (Unsecured considered good)		
Outstanding for a period exceeding six months	92,556,590	98,496,590
Other Debtors	576,932,231	513,821,555
	<u>669,488,821</u>	<u>612,318,145</u>
SCHEDULE 9 : CASH AND BANK BALANCES		
Balances with scheduled Banks in Current Accounts	3,554,994	20,720,642
Cash in hand	4,268,309	3,431,098
Margin Money Deposits	9,700,450	10,692,646
	<u>17,523,753</u>	<u>34,844,386</u>
SCHEDULE 10 : LOANS AND ADVANCES (Unsecured considered good)		
Advances Recoverable in Cash or in kind or for value to be received	39,543,657	24,449,600
Advances to Employees	7,020,784	6,217,551
Balance with Central Excise Authorities	4,096,571	3,658,688
Other Deposits	31,046,403	22,640,962
TDS / Advance tax	100,425,865	114,874,612
	<u>182,133,280</u>	<u>171,841,413</u>
SCHEDULE 11 : CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry creditors :		
a) Due to companies registered under Micro, Small and Medium Enterprises Development Act, 2006	1,007,566	1,211,814
b) Others	288,309,875	364,797,992
	<u>289,317,441</u>	<u>366,009,806</u>
Other Liabilities	69,602,938	53,876,354
Recompense amount towards Interest Liabilities (Refer Note No. 20 of Schedule No. 21)	44,350,000	-
Interest Accrued but not due (on Bonds)	12,061,930	9,835,598
PROVISIONS		
Provision for leave Encashment	1,650,426	1,771,594
Provision for Gratuity	3,035,151	718,465
Provision for Taxation	95,940,674	105,626,721
Provision for Preference Dividend	5,875,640	4,895,640
Proposed Dividend on Equity Shares	8,136,563	-
Dividend Distribution Tax Payable	1,319,954	-
Provision for P.F. Employee Benefits	64,099	89,672
Provision for Bonus	1,686,343	1,711,802
	<u>533,041,159</u>	<u>544,535,652</u>

There are no amount due and outstanding to be credited to the Investor Education and protection Fund.

IMP POWERS LIMITED

SCHEDULES ATTACHED TO AND FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2011

	Year Ended 30-06-2011 ₹	Year Ended 30-06-2010 ₹
SCHEDULE 12 : SALES		
Local Sales	2,636,770,434	1,940,942,189
Export Sales	92,457,321	144,727,433
Gross Sales	2,729,227,755	2,085,669,622
Less-Excise Duty	237,730,166	158,716,353
Net Sales	<u>2,491,497,589</u>	<u>1,926,953,269</u>
SCHEDULE 13 : OTHER INCOME		
Lease Rental & Miscellaneous Receipts	2,470,252	897,666
Insurance Claim Received	52,900	196,679
Foreign Exchange Gain (Net)	-	981,232
Interest Received	54,785	70,281
	<u>2,577,937</u>	<u>2,145,858</u>
SCHEDULE 14 : RAW MATERIAL CONSUMED		
Opening Stock	207,180,835	120,535,540
Add:- Purchase		
Raw Material Imported	6,576,722	6,897,941
Others	1,921,277,770	1,629,677,226
	2,135,035,327	1,757,110,707
Less: Closing Stock	158,587,500	207,180,835
	<u>1,976,447,827</u>	<u>1,549,929,872</u>
SCHEDULE 15 : (INCREASE)/DECREASE IN STOCKS		
OPENING STOCK		
Semi Finished Goods	191,949,231	103,385,828
Finished Goods	191,613,674	204,662,509
	<u>383,562,905</u>	<u>308,048,337</u>
CLOSING STOCK		
Semi Finished Goods	220,447,475	191,949,231
Finished Goods	212,166,212	191,613,674
	<u>432,613,687</u>	<u>383,562,905</u>
	<u>(49,050,782)</u>	<u>(75,514,568)</u>
SCHEDULE 16 : MANUFACTURING EXPENSES		
Manufacturing Expenses	6,537,797	6,639,649
Power & Fuel Charges	12,979,308	9,805,924
Testing Fees	4,633,923	11,721,664
	<u>24,151,028</u>	<u>28,167,237</u>

SCHEDULES ATTACHED TO AND FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2011

	Year Ended 30-06-2011 ₹	Year Ended 30-06-2010 ₹
SCHEDULE 17 : SALARIES, WAGES AND OTHER EMPLOYEE BENEFITS		
Salaries, Wages and Bonus etc.	83,476,605	69,003,073
Provident Fund, ESIC, Staff Welfare, Gratuity & Leave encashment	7,926,358	9,466,039
	<u>91,402,963</u>	<u>78,469,112</u>
SCHEDULE 18 : SELLING EXPENSES		
Freight, Fare & Carriage Outward & Packing	80,340,604	58,179,960
Loading and Unloading Charges	1,309,512	1,737,093
Insurance	4,665,303	3,217,791
Sales Commission	3,847,831	6,088,011
	<u>90,163,250</u>	<u>69,222,855</u>
SCHEDULE 19 : FINANCIAL EXPENSES		
Interest on Secured Borrowings	125,798,888	92,557,419
Interest to Suppliers and others	14,525,041	3,639,195
Bank commission , Bank guarantee charges & Other charges	22,342,730	19,527,349
	<u>162,666,659</u>	<u>115,723,963</u>
SCHEDULE 20 : ADMINISTRATIVE & OTHER EXPENSES		
Legal & Consultation	5,940,943	2,213,249
Advertisement & Sales promotion	4,221,682	5,083,980
Conveyance, Office Expenses & Electricity Charges	5,767,349	5,660,819
Motor expenses	2,943,549	3,293,330
Travelling Expenses	14,139,420	14,072,561
Postage, Telegram & Telephone expenses	2,307,284	2,359,161
Printing and Stationery	1,333,561	2,007,010
Foreign Exchange Loss (Net)	733,331	-
Audit Fees	325,000	325,000
Rent, Rates and Taxes	11,586,192	11,909,055
Repairs & Maintenance		
Building	443,992	144,351
Plant & Machinery & Others	2,174,478	2,957,314
Other Expenses	4,278,092	9,768,619
	<u>56,194,873</u>	<u>59,794,449</u>

IMP POWERS LIMITED

SCHEDULE – 21: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2011.

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements:

The financial statements are prepared under the historical cost convention on accrual basis and in accordance with Indian Generally Accepted Accounting Principles (“GAAP”) as specified in Companies (Accounting Standards) Rules, 2006, provisions of the Companies Act, 1956 and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India.

2. Use of Estimates:

The Preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

3. Fixed Assets :

Fixed Assets are stated at cost of acquisition (net of Cenvat and VAT wherever applicable) or construction less accumulated depreciation and impairment loss, if any. Cost includes any directly attributable cost of bringing each asset to its working condition for intended use. Assets under installation or under construction as at balance sheet date are shown as capital work in progress together with project expenses and advances to suppliers/contractors.

4. Depreciation:

Depreciation in respect of all assets acquired up to 30th June, 1985 is provided on ‘Written Down Value’ method. For additions on or after 1st July, 1985 Straight Line Method of depreciation has been adopted. The rates charged are as specified in Schedule XIV of the Companies Act, 1956.

5. Impairment of Assets:

An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on an appropriated discount factor. The impairment loss recognized in the prior accounting years is reversed if there has been a change in the estimate of recoverable amount.

6. Investments:

Current investments are carried at the lower of cost or quoted/fair value, computed category-wise. Long term investments are stated at cost and provision is made for any diminution in such value, which is not temporary in nature.

7. Valuation of Inventories:

- a. Raw Materials including consumables and stores are valued at lower of Cost and net realizable value. Cost is arrived on FIFO Basis.
- b. Semi-finished and Finished Goods are valued at cost of materials together with relevant factory overheads or net realizable value whichever is lower. Due consideration is given to the saleability of the stock and no obsolete or unserviceable\damaged items are included.

8. Revenue Recognition :

- a. Insurance and Duty Drawback on export are accounted for as and when admitted by the appropriate authorities. Values of advance licenses unutilized are accounted on accrual basis by netting off purchase value.
- b. Commission on sales is accounted as and when accepted.
- c. Sales are recognized on dispatch of goods to customers and include sales value of goods and excise duty and other receipts connected with sales.
- d. Liability for Excise Duty on finished goods is accounted for as and when they are cleared from the factory premises.

- e. Customs Duty on goods lying in Customs Bonded Warehouses is charged in the year of clearance of the goods when it becomes payable.
- f. CENVAT benefit on total purchase is accounted for by reducing the purchase cost of the materials/ fixed assets wherever applicable.

9. Employee Benefits:

- a. Company's defined contributions made to provident fund of government are charged to profit & loss account on accrual basis.
- b. Contribution to Gratuity Fund and provision for Leave Encashment is based on actuarial valuation carried out as on the Balance Sheet date as per Projected Unit Credit Method.

10. Foreign Currency Transactions:

Foreign Currency transactions are accounted at the exchange rates prevailing on the date of transactions. Foreign currency current assets and current liabilities outstanding at the balance sheet date are translated at the exchange rate prevailing on that date and the resultant gain or loss is recognized in the profit & loss account. Also, in cases where they relate to the acquisition/construction of fixed assets, they are recognized in Profit & Loss accounts.

11. Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets up to the date when they are ready for their intended use and other borrowing costs are charged to profit & loss account.

12. Operating Lease :

Assets acquired on lease where a significant position of risks and rewards of ownership are retained by Leasor are classified as Operating Lease. Lease rentals are charged to profit & loss account as incurred. Initial direct costs in respect of assets taken on operating lease are expensed off in year in which cost are incurred.

Assets given on lease where a significant position of risks and rewards of ownership are retained by Leasor are classified as Operating Lease. Lease rentals are credited to profit & loss account on accrual.

13. Taxation:

Provision for taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961.

Deferred Tax resulting from "timing difference" between book profit and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a certainty that the asset will be adjusted in future.

14. Contingent Liabilities & Provision:

Claims against the Company not acknowledged as debts are treated as contingent liabilities. Provision in respect of contingent liabilities if any, is made when it is probable that a liability may be incurred and the amount can be reasonably estimated.

B. Notes to Accounts:

1. Estimated amount of contracts (net of advances) remaining to be executed on capital Account and not provided for ₹ NIL. (Previous Years. NIL).
2. Contingent liabilities are not provided in the accounts in respect of the followings:-

(₹ in Million)

Particulars	Year Ended 30.06.2011	Year Ended 30.06.2010
a) Guarantees Given	532.83	381.88
b) Income Tax Demands (A.Y. 2008-2009)	19.77	NIL
c) Claims Made against Company not acknowledged as Debts	14.58	18.83

IMP POWERS LIMITED

3. Directors' Remuneration (excluding sitting fees):

(₹ in Million)

Particulars	Year Ended 30.06.2011	Year Ended 30.06.2010
1. Salary & Allowances	10.20	6.48
2. Other Benefits	0.71	0.85
3. Commission to Directors	NIL	NIL

4. Auditor's Remuneration (excluding service tax) :

(₹ in Million)

	Year Ended 30.06.2011	Year Ended 30.06.2010
1. For Statutory Audit	0.25	0.25
2. For Tax Audit	0.08	0.08

5. As per Accounting Standard 15 (Revised) on "Employee Benefits", the disclosures of employee benefits as defined in the accounting standard are given below.

I. Defined Contribution Plan:

Contributions to defined contribution plan; recognized as expenses for the year are as under.

Particulars	(₹ In Million) 30.06.2011	(₹ In Million) 30.06.2010
Employer's contribution to Provident Fund	1.28	1.31

II. Defined Benefits Plans:

- Contribution to Gratuity Fund
- The Company regularly contributes to the gratuity fund called the "Industrial Meters Private Limited Gratuity Fund" framed under the Payment of Gratuity Act, 1972, which is a defined benefit plan.

(A) Changes in Defined Benefit Obligation:

(₹ in Million)

Particulars	30.06.2011	30.06.2010
Liability at the beginning of the year	7.80	7.27
Interest Cost	0.64	0.55
Current Service Cost	0.97	0.77
Past Service Cost – Vested Benefit	-	1.62
Benefit Paid	(1.41)	(3.04)
Actuarial (gain)/loss on obligations	1.19	0.63
Liability at the end of the year	9.19	7.80

(B) Changes in the Fair Value of Plan Assets for Gratuity (Funded Scheme):

(₹ in Million)

Particulars	30.06.2011	30.06.2010
Fair Value of Plan Assets at the beginning of the year	7.08	6.70
Expected Return on Plan Assets	0.57	0.53
Contributions	0.49	2.23
Benefit Paid	(1.41)	(3.04)
Actuarial gain/(loss) on Plan Assets	(0.57)	0.66
Fair Value of Plan Assets at the end of the year	6.16	7.08
Total Actuarial Gain / (Loss) To Be Recognized	1.75	0.03

(C) Amount recognized in the Balance Sheet:

(₹ in Million)

	30.06.2011	30.06.2010
Defined Benefit Obligation as at June 30	9.19	7.80
Fair Value of Plan Assets as at June 30	6.16	7.08
Liability / (Asset) recognized in the Balance Sheet included in the Balance Sheet included in Current Liabilities and Provisions	3.03	0.72

(D) Expenses recognized in the Profit & Loss Account:

(₹ in Million)

Particulars	30.06.2011	30.06.2010
Current Service Cost	0.97	0.77
Interest Cost	0.64	0.55
Expected Return on Plan Assets	(0.57)	(0.53)
Actuarial (Gain) or Loss	(1.75)	(0.03)
Past Service Cost-Vested Benefit	-	1.62
Expense Recognized in P & L	2.80	2.37

(E) Actuarial Assumptions:

Assumptions	30.06.2011	30.06.2010
Discount Rate Current	8.50%	8.25%
Rate of Return on Plan Assets Current	8.50%	8.00%
Salary Escalation Current	5.00%	5.00%
Attrition Rate Current Year	2.00%	2.00%

6. Information given under Clause 4-C, 4-D of Part II of Schedule VI to the Companies Act, 1956.

A. CAPACITY AND PRODUCTION:

(As certified by the Management & relied upon by Auditor)

CAPACITY

Particulars	Licensed	Installed	Production
a) Distribution & Power Transformers	N.A.	10000 MVA (7000 MVA)	5426 MVA (4424MVA)
b) Electrical Measuring Instruments & Testing Equipments.	N.A.	NIL Nos. (164400 Nos)	NIL Nos (36231 Nos)

(Previous Year Figures are given in brackets.)

B. OPENING AND CLOSING STOCK OF FINISHED GOODS :

(Previous Year Figures are given in brackets.)

(₹ in Million)

Description of Products	Year Ended 30.06.2011		Year Ended 30.06.2010	
	Qty in Nos.	Value	Qty in Nos.	Value
a) Distribution and Power Transformer				
Opening Stock	36	191.61	37	201.84
Closing Stock	37	212.17	36	191.61
b) Electrical Measuring Instrument & Testing Equipments.				
Opening Stock	Nil	Nil	10433	2.82
Closing Stock	Nil	Nil	Nil	Nil

C. PARTICULARS OF SALES INCLUDING RAW MATERIALS AND SPARE PARTS ITEMS:

(As valued and certified by Management)

(₹ in Million)

Description of Products	Year Ended 30.06.2011		Year Ended 30.06.2010	
	Qty in Nos.	Value in	Qty in Nos.	Value in
a) Distribution & Power transformers & Parts of Transformers & Accessories thereof	276	2729.23	308	2068.67
b) Electrical Measuring Instrument & Testing Equipments.	Nil	Nil	46664	17.00

IMP POWERS LIMITED

D. RAW MATERIALS CONSUMPTION INCLUDING SPARE PARTS PURCHASES: (As valued and certified by management)

(₹ in Million)

Description of Material	Units	Year Ended 30.06.2011		Year Ended 30.06.2010	
		Qty	Value	Qty	Value
a) Copper Wire & Strips	Tons.	1757	752.94	1623	636.81
b) Transformer Oil.	K.Ltr	3929	249.88	2949	132.36
c) Lamination	Tons.	3133	556.19	2150	530.73
d) Others			417.43		250.03

E. VALUE OF ALL IMPORTED & INDIGENOUS RAW MATERIALS CONSUMED INCLUDING SPARE PARTS SALES DURING THE YEAR :

(₹ in Million)

	Year Ended		Year Ended	
	30.06.2011	%	30.06.2010	%
a. Imported	5.86	0.30	4.83	0.31
b. Indigenous	1970.58	99.70	1545.10	99.69
	1976.44	100.00	1549.93	100.00

F. VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF:

(₹ in Million)

	Year Ended 30.06.2011	Year Ended 30.06.2010
a. Raw Material	6.58	6.89
b. Capital Goods	Nil	0.30

7. Expenditure and Earnings in Foreign Currency.

(₹ in Million)

	Year Ended 30.06.2011	Year Ended 30.06.2010
a. Traveling & Other Expenses.	1.00	1.93
b. Earning in Foreign Currency on Export of goods on FOB Basis	91.69	143.35

8. The Gross depreciation for the year amounting to ₹ 40.58 million (Previous year ₹36.36 million) from which has been deducted a sum of ₹ 1.33 million (Previous year ₹ 1.33 million) being the extra Depreciation arising on Revaluation of some of the Fixed Assets which has been drawn from Revaluation Reserve Account. The net charge to Profit & Loss Account towards depreciation for the year amounts to ₹ 39.25 million (Previous year ₹ 35.03 million).
9. The Company has undertaken export & deemed exports of its products, by using indigenous raw materials. Against such exports the Company has received Quantity Based Advance Licenses entitling them to import certain raw materials at NIL customs Duty. The unutilized portion of these licenses amounting to ₹ 5.69 million (Previous year ₹ 1.57 million) has been valued at prevailing Customs Duty rates as on 30th June, 2011 and taken credit in the books of accounts in accordance with the matching principle of accountancy.
10. The Company is primarily engaged in the business of Electrical Products like Power & Distribution Transformers, which together constitute a single Segment in accordance with the accounting standard on "Segment Reporting" (AS 17). Therefore segment wise information as required by AS-17 on "Segment Reporting" is not applicable.
11. Provision for taxation has been made with reference to profit for the year ended 30th June, 2011 in accordance with provision of Income Tax Act, 1961 and rules framed there under. The Ultimate tax liability for the Assessment Year 2011-2012 will be determined on the basis of total Income for the year ending on 31st March, 2011.
12. Based on the Information available with the company and relied upon by the auditors to the extent enterprises could be identified as Micro and Small, the following disclosure in respected of Medium and Small enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 is as under.

Sr.No	Particulars	(₹ in Million)
a)	The Principal amount and the interest due thereon remaining unpaid to any supplier as at June 30, 2011	
	Principal Amount	1.01
	Interest Amount	NIL
b)	The amount of Interest paid by the company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending June 30, 2011	NIL
c)	The amount of Interest due and payable for the period of delay in making payment (beyond the appointed day during the year)	NIL
d)	The amount of Interest accrued and remaining unpaid for the year ending June 30,2011	NIL
e)	The amount further interest remaining due and payable for the earlier year	NIL
f)	Total outstanding dues of Micro enterprises and Small Enterprises	1.01

13. Deferred Tax Assets / Liability –

(₹ In Million)

	30.06.2011	30.06.2010
Deferred Tax Liability pertaining to timing difference of Depreciation	41.61	32.75
Deferred Tax Assets pertains to disallowance of expenses.	5.14	4.07
(Deferred Tax Liability has been shown net of deferred tax Assets).	36.47	28.68

14. The carrying amount of Assets does not exceeds the recoverable amount of Assets, hence no Provision is required to be made for impairment of assets as required under the Accounting Standard-28-Impairment of Assets.
15. Based on valuation report submitted by a professional valuer appointed for the purpose of valuing Factory free hold Land & Building at Kandivali works & building Head office, the same have been revalued as at 31st March, 1994 on current cost basis. The resultant increase in net book value on such revaluation amounting to ₹ 67.70 million was transferred to Revaluation Reserve account.
16. The Greater Bombay Co-operative Bank Ltd (GBCB) did not join the CDR Scheme which was considered and approved by other consortium bankers/ financial institution in the year 2004-05.
- GBCB did not work out on the revised repayment plan. Instead GBCB initiated the legal actions against the company. The company has filed petition u/s 391 of the Companies Act in the High court and the matter is pending in the court. However the company has provided interest in the books of accounts.
17. Related party Disclosure –

A. Associated & Other Parties :

Raga Organics P. Ltd.	Universal Transformers Pvt.Ltd.
Advance Transformers & Equipments Pvt. Ltd.	Shree Rasbihari Trading and Investments Pvt. Ltd.
Shree Kishoriju Trading and Investments Pvt. Ltd.	Raj Exports Pvt. Ltd.
Shree Rasbihari Electricals Pvt. Ltd.	Mangalam Laboratories Pvt. Ltd.
Shree & Sons.	Ramniwas R Dhoot (HUF).

B. Key Management Personnel :

i) Chairman	:	Shri Ramniwas R Dhoot
ii) Managing Director	:	Shri Ajay R Dhoot
iii) Jt .Managing Director	:	Shri Aaditya R Dhoot

C. Relatives of Key Management Personnel:

i) Rajkumari R Dhoot
ii) Smita A. Dhoot
iii) Radhika A. Dhoot

IMP POWERS LIMITED

D. Transaction during the year with related parties are as under-

(₹ In Million)

Transactions	Associates	Key Management Personnel	Relatives of key Management Personnel	Promoter	Total
Purchase of Goods	-	-	-	-	-
Sale of Goods	-	-	-	-	-
Labour Charges					
Advance Transformer & Equipments Pvt. Ltd.	1.37 (1.96)	-	-	-	1.37 (1.96)
Rent & Leasing Charges					
Ajay R Dhoot	-	0.33 (0.33)	-	-	0.33 (0.33)
Aaditya R Dhoot	-	0.24 (0.24)	-	-	0.24 (0.24)
R R Dhoot (HUF)	-	0.12 (0.06)	-	-	0.12 (0.06)
Shree Rasbihari Trading & Investments P. Ltd	0.12 (0.12)	-	-	-	0.12 (0.12)
Remuneration Paid					
R R Dhoot		4.08 (2.80)			4.08 (2.80)
Ajay R Dhoot		3.70 (2.55)			3.70 (2.55)
Aaditya R Dhoot		3.13 (1.98)			3.13 (1.98)
Outstanding Payables					
Advance Transformers & Equipments Pvt. Ltd.	Nil (1.16)				Nil (1.16)
Shree Rasbihari Trading & Investments P. Ltd	Nil (0.97)				Nil (0.97)
Smt. Rajkumari R Dhoot			Nil (0.13)		Nil (0.13)
Shri Ajay R Dhoot		Nil (Nil)			Nil (Nil)
Shri Aaditya R Dhoot		Nil (0.03)			Nil (0.03)
Shri R R Dhoot		Nil (Nil)			Nil (Nil)
Radhika A Dhoot			Nil (Nil)		Nil (Nil)
R R Dhoot (HUF)		0.03 (0.02)			0.03 (0.02)

(Previous Year Figures are given in brackets.)

18. Disclosure for Operating Leases:

A) The office premises of the Company have been taken on lease. The lease expenses recognized in P&L are as follows:

(₹ In Million)

Particular	Year Ended 30.06.2011	Year Ended 30.06.2010
Lease payment debited to profit & loss account	8.19	7.20

The leases payments to be made in respect of the leases in future are as follows:

Lease obligation	Year Ended 30.06.2011	Year Ended 30.06.2010
Up to 1 year	-	0.55*
Greater than 1 year but less than 5 years	-	-
Greater than 5 years	-	-
* Only for one Month		

Note: The Lease Agreement is for 59 months but same is cancelable from 2nd August 2010 after giving 90 days prior notice.

- B) During the year we have closed down Meter Division operations and same factory premises of the Company have been given on lease for the 36 months. The lease incomes recognized are P&L are as follows:

(₹ In Million)

Particular	Year Ended 30.06.2011	Year Ended 30.06.2010
Lease Income Credited to profit & loss account	2.13	-

The leases received to be made in respect of the leases in future are as follows:

Lease Receivables	Year Ended 30.06.2011	Year Ended 30.06.2010
Up to 1 year	2.49	-
Greater than 1 year but less than 5 years	-	-
Greater than 5 years	-	-

Note: The Lease Agreement is for 36 months but same is cancelable after 6 months.

19. Basic and diluted earnings per share calculated in compliance with the provision of Accounting Standard (AS20) for the year ended.

(Amount in ₹)

	Year Ended 30.06.2011	Year Ended 30.06.2010
1 Weighted average number of equity shares Outstanding	81,36,563	81,36,563
2 Profit (Loss) after taxation as per Profit & Loss account attributable to equity shareholders after adjusting dividend on preference shares before Extraordinary Items	7,11,72,979	4,49,09,964
3 Earning Per Share (Basic & Diluted) Before Extra-Ordinary Item	8.75	5.52
4 Profit (Loss) after taxation as per Profit & Loss account attributable to equity shareholders after adjusting dividend on preference shares After Extraordinary Items	2,68,22,979	4,49,09,964
5 Earning Per Share (Basic & Diluted)	3.30	5.52
6 Nominal value per share	10/-	10/-

20. Corporate Debt Restructuring (CDR) cell has approved the recompense amount, towards interest liabilities amounting to ₹ 443.50 lacs for the Company to exit from CDR scheme. In this respect, the Company has received a letter dated 23rd July 2011 from CDR cell. Pursuant to the terms and conditions of the said letter, 25% of the total amount to be paid in cash and balance 75% in the form of Equity Shares or 1% Cumulative Redeemable Preference Shares to the lender under CDR scheme, within three month from the decision of CDR EG.
21. During the year Company has written off Investment of ₹12,000/- of Eco Media Infosystems Private Limited as Company has closed down its operations.
22. Previous Year's figures have been regrouped and rearranged wherever necessary to make them comparable with the current year's figures.

As per our report of even date.

For Batliboi & Purohit

Chartered Accountants

FRN NO. 101048W

(CA R. D. HANGEKAR)

Partner

M.No.30615

Place : Mumbai

Dated : 29th August, 2011

On behalf of the Board of Directors

AJAY R DHOOT
MANAGING DIRECTOR

AADITYA R DHOOT
JT. MANAGING DIRECTOR

MILIND JOG
COMPANY SECRETARY

IMP POWERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE 2011

	Year Ended 30.06.2011 ₹		Year Ended 30.06.2010 ₹
A. Cash Flow from Operating Activities			
Net Profit Before Tax	102,851,619		68,277,195
Adjusted for			
Depreciation	39,248,089	35,029,012	
Direct Tax	(22,908,900)	(8,866,073)	
Interest	162,666,659	115,723,963	
Loss on Sale of Fixed Asset	185,822	5,71,045	
Extra-ordinary items / Exceptional Items	(44,350,000)	-	
	134,841,670		142,457,947
Operating Profit before Working Capital Changes	237,693,289		210,735,142
Adjusted for			
Trade & other receivables	(67,462,543)	123,271,595	
Inventories	(457,447)	(162,159,863)	
Trade Payables	(11,494,493)	(2,105,771)	(40,994,039)
Cash generated from Operations	158,278,806		169,741,103
NET CASH FROM OPERATING ACTIVITIES	158,278,806		169,741,103
B. Cash Flow from Investing Activities			
Purchase/ Sales of Fixed Assets (Net)	(47,405,117)	(103,690,688)	
Investment W/Off	12,000	-	
(Increase) / Decrease in Capital Work in Progress		42,493,416	
			(61,197,272)
NET CASH USED IN INVESTING ACTIVITIES	(47,393,117)		(61,197,272)
C. Cash Flow from Financing Activities			
Proceeds from borrowings	(25,856,693)	(32,791)	
Loans from Banks & Financial Institutions	70,753,547	18,954,305	
Interest Paid	(162,666,659)	(115,723,963)	
Dividend on Preference Shares (Net)	(980,000)	(980,000)	
Proposed Dividend	(8,136,563)	-	
Dividend Distribution Tax	(1,319,954)	-	
	(128,206,322)		(97,782,449)
NET CASH USED IN FINANCING ACTIVITIES	(128,206,322)		(97,782,449)
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)	(17,320,633)		10,761,382
CASH AND CASH EQUIVALENT OPENING BALANCE	34,844,386		24,083,004
CASH AND CASH EQUIVALENT CLOSING BALANCE	17,523,753		34,844,386
Note:- Refer Schedule No. 9 for details Cash & Cash Equivalent			

On behalf of the Board of Directors

AJAY R DHOOT
MANAGING DIRECTOR

AADITYA R DHOOT
JT. MANAGING DIRECTOR

Place: Mumbai
Dated : 29th August, 2011

MILIND JOG
COMPANY SECRETARY

AUDITORS' CERTIFICATE

We have verified the above cash flow statement of **IMP Powers Limited** derived from the audited financial statements for the period ended on 30th June 2011 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the listing agreements with Stock exchanges.

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
FRN: 101048W

Place: Mumbai
Dated : 29th August, 2011

(CA R. D. Hangekar)
Partner
Membership No. 30615

Balance Sheet Abstract and Company's General Business Profile

I Registration details

Registration No.	11-11963	State Code	56
Balance Sheet Date	30 June 2011		

II Capital raised during the year: (Amount in ₹ Thousands)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private placement	Nil

III Position of mobilisation and deployment of funds: (Amount in ₹ Thousands)

Total Liabilities	1,668,293	Total Assets	1,668,293
Sources of Funds			
Paid- up Capital	105,888	Reserves and Surplus	801,992
Secured Loans	723,909	Unsecured Loans	30
Deffered Tax Liabilities	36,474		
Application of Funds			
Net Fixed Assets	740,886	Investments	101
Net Current Assets	927,306		
Accumulated Losses	Nil		

IV Performance of the company: (Amount in ₹ Thousands)

Turnover (Including Other Income)	2,494,076	Total Expenditure	2,391,224
Profit/(Loss) Before Tax	102,852	Profit/(loss) After Tax	27,803
Earning per share after	3.30	Dividend rate %	10
Extra-Ordinary item in Rs.			

V Generic names of three principal products/services of company (As per monetary terms)

Item code No.(ITC code)	8504
Product Description	Power & Distribution Transformers

On behalf of the Board of Directors

AJAY R DHOOT
MANAGING DIRECTOR

AADITYA R DHOOT
JT. MANAGING DIRECTOR

Place : Mumbai
Dated : 29th August, 2011

MILIND JOG
COMPANY SECRETARY



IMP POWERS LTD.

Registered Office :- Survey No. 263/3/2/2, Sayli Village, Umar Kuin Road, Silvassa (U.T.) 396230, Dadra & Nagar Haveli (U.T.)

ATTENDANCE SLIP

Please bring the attendance slip and hand it over at the entrance of the venue of the meeting

I/We _____

of _____ being Member/ Members of IMP Powers Ltd. residing at Address

_____ hereby record my presence at the 49th Annual General Meeting of the Company to be held on Wednesday, 21st December 2011 at 3.30 pm. at the Registered office of the Company situated at the above address or at any adjournment thereof.

Full name of Member (IN BLOCK LETTERS) _____

Ledger Folio No _____

D. P. ID* _____

Client ID* _____

No. of shares held _____

Signature of the Member or Proxy

*Applicable if shares are held in electronic form.



IMP POWERS LTD.

Registered Office :- Survey No. 263/3/2/2, Sayli Village, Umar Kuin Road, Silvassa (U.T.) 396230, Dadra & Nagar Haveli (U.T.)

PROXY FORM

I/We _____

of _____ being Member/Members of IMP Powers Ltd. hereby

appoint _____ of _____ or failing him _____

of _____ or failing him _____ of _____ as my/our proxy

to attend and vote for me /us on my /our behalf at the 49th Annual General meeting of the Company to be held on Wednesday, 21st December 2011 at 3.30 pm. at the Registered office of the Company or at any adjournment thereof.

Signed this _____ day of _____ 2011

Ledger Folio No _____

D. P. ID* _____

Client ID* _____

No. of shares held _____

Signature

Affix One
Rupee
Revenue
Stamp

*Applicable if shares are held in electronic form.

Note: The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time of the holding the Meeting.

BOOK-POST

To,

If undelivered, please return to,

IMP POWERS LTD.

263/3/2/2, Sayli Village,
Umerkoin Road,
Silvassa 396230,
Dadra & Nagar Haveli (U.T.)