

i Power Solutions India Limited

Power

**25th Annual Report
2009 - 10**

BOARD OF DIRECTORS

- MR. V. PARANDHAMAN** - Chairman cum Managing Director
- MR. D. RAVICHANDRA BABU** - Independent Director
- MR. K. BHASKARAN** - Independent Director
- MR. CA VASUDEVAN S.** - Independent Director (upto 15th July 2010)
- MR. R. JAYAPRAKASH** - Independent Director (from 15th July 2010)

REGISTERED CUM CORPORATE OFFICE

9/5, II Floor, 2nd Main Road,
Karpagam Gardens,
Adyar, Chennai - 600 020.

STATUTORY AUDITORS

W.S.MADHAVANN

1-G, Sri Padmavathy Apts., Sankarapuram,
First Street, Choolaimedu, Chennai - 600 094.

BANKERS

Bank of Maharashtra, Chennai - 600 090.

Punjab National Bank, Chennai - 600 018.

Indian Bank, Chennai - 600 090.

State Bank of India, Chennai - 600 020.

Mr. V.R.SRIDHARAN, F.C.A.

Chartered Accountant

Internal Auditor

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 25th Annual General Meeting of the members of M/s. i Power Solutions India Limited will be held on 22nd September 2010 at 3.00 P.M. at Sangeetha Residency, #2, Luz Church Road, Mylapore, Chennai -600 004 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and the Profit & Loss Account for the year ended 31st March 2010 together with the reports of Directors and Auditors thereon
2. To appoint a Director in the place of Mr. K. Bhaskaran who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration.

SPECIAL BUSINESS:

4. To pass the following resolution with or without modification as Ordinary resolution.
“**RESOLVED THAT** Mr. R. Jayaprakash be and is hereby appointed as an Independent Director of the Company”.

By Order of the Board
i Power Solutions India Limited
Sd./-
V.PARANDHAMAN
Chairman

Date: 30.07.2010

Place: Chennai

NOTES

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll, to vote instead of himself / herself and a Proxy need not be a member of the Company. The instrument appointing the Proxy to be valid shall be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for holding the Meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 15th September, 2010 to 22nd September 2010 (both days inclusive).
3. For shares held in physical form, any change in address may be intimated immediately to the Company / Share Transfer Agent by quoting the Folio Number(s).
4. Members / Proxies are requested to bring the Attendance slip sent with the Annual Report duly filled in for attending the Meeting. Members who hold shares in the dematerialized form are requested to indicate their DP ID and Client ID Numbers in the Attendance slip.

5. The Company's Equity shares are listed at Bombay Stock Exchange Limited.
6. Members holding shares in physical form can avail of the nomination facility. For Further details, Members may write to the Company / Share Transfer Agent.
7. The Explanatory statement has been enclosed as per section 174 of the Companies, 1956.

EXPLANATORY STATEMENT UNDER SECTION 172 OF THE COMPANIES ACT 1956.

1. During the year Mr. R. Jayaprakash was appointed as an Independent Director of the company with effect from 15th July, 2010.

Qualification: M.E. (Computer Science)

Experience: 30 Years Experience, MD in M/s. K Soft Systems Private Limited.

Age: 53 Years.

He has been working as Managing Director and has rich experience.

His tenure as Director comes to an end at this Annual General Meeting and it is proposed to appoint him as an Independent Director which requires the approval of the members of the company. Hence the resolution is recommended.

DIRECTORS' REPORT

Your directors have pleasure in presenting the Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2010.

FINANCIAL PERFORMANCE

The performance of the Company has improved well during the year and the highlights are given below:

PARTICULARS	(in Rupees)	
	2010	2009
Profit / (Loss) before Interest and Finance Charges and Depreciation	10,53,558	11,33,751
Interest and Finance Charges	1,123	1,31,152
Profit / (Loss) before Depreciation	10,52,435	10,02,275
Depreciation	7,72,207	9,07,436
Profit / (Loss) after Depreciation before Tax	2,80,228	94,839
Preliminary Expenses	Nil	Nil
Profit / (Loss) before Tax	2,80,228	94,839
Provision for Income Tax, Current Tax, Deferred Tax	Nil	Nil
Profit / (Loss) after Tax but before dividend	2,80,228	94,839

BUSINESS PLAN

The Company has its presence spanning across USA, UK, Germany and UAE and its focus areas are web/ e-commerce solutions, software application development, information processing. The Company is planning to do software projects in Java and Net technologies and to market college campus automation software and its social networking portal.

DIRECTORS

Mr. R. Jayaprakash has been appointed as an independent Director of the Company in the place of Mr. CA Vasudevan S who resigned from the Board. The Board of Directors places on record its appreciation of the services rendered and co-operation extended by Mr. CA Vasudevan S. during his tenure.

TAKE OVER AND OPEN OFFER PROCESS

During the year an agreement was signed between the Promoter Mr. V. Parandhaman and Mr. N. Ramamurthy, an acquirer from U.S.A to acquire Promoters shares and consequently an open offer for the Public shares was made by the acquirer as prescribed by SEBI. As the acquirer could not pay for the acquisition of promoters shares the promoter terminated the Equity share purchase agreement on 14th July, 2010 and informed Bombay Stock Exchange Limited and Merchant Banker accordingly.

CORPORATE GOVERNANCE

Your Company attaches considerable significance to good Corporate Governance as an important step towards building investor confidence and maximize long term shareholder value. Pursuant to Clause 49 of the Listing Agreement with the Stock exchange, a compliance report on Corporate Governance has been annexed as part of their Annual Report.

DEPOSITS

The Company has not accepted any Fixed Deposits from the public.

DIVIDEND

No dividend is recommended for the financial year ended 31st March 2010.

AUDITORS

Mr. W.S. Madhavann, FCA, Chartered Accountant, Chennai, Statutory Auditor of the Company retires at the ensuring Annual General Meeting. His re-appointment is recommended.

COMPLIANCE CERTIFICATE

As per the provisions of Companies Act, 1956 the Company has to circulate the Compliance Certificate. Accordingly, B. Prabakar, Practising Company Secretary has issued the certificate and the same is circulated along with this report.

DISCLOSURE OF PARTICULARS

Disclosure as per requirements of Section 217 (2) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, with respect to energy conservation, technology absorption is nil.

In respect of Foreign Exchange earnings and Outgo (in US \$), details are given below –

Foreign Exchange Earnings: US \$ 96.138

Foreign Exchange Outgo: US \$ 63.400

PERSONNEL

There were no employees of the Company who were in receipt of Rs.24,00,000 during the financial year ended 31.03.2010 as per the limit set under the provisions of Section 217 (2A) of the Companies Act, 1956 and the rules framed there under.

DIRECTORS RESPONSIBILITY STATEMENT

In compliance with the provisions of Section 217 (2AA) of the Companies Act, 1956 (the Act) your Directors hereby confirm that:

- ❖ In preparing the Annual Accounts for the year ended 31.03.2010 all the applicable standards have been followed.
- ❖ Accounting policies were adopted and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company as at 31.03.2010.
- ❖ Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing/detecting fraud and irregularities have been taken.
- ❖ The Annual accounts have been prepared on a 'going concern' basis.

ACKNOWLEDGEMENT

Your directors thank and acknowledge the continuous co-operation and assistance extended by Bank of Maharashtra, Punjab National Bank, Indian Bank, State Bank of India, Bombay Stock Exchange Limited, Cameo Corporate Services Ltd., our employees and the various customers who are patronizing our products.

For and on behalf of the Board

Sd./-

V. PARANDHAMAN

Chairman

Date: 30.07.2010

Place: Chennai

CIN # L72200TN2001PLC047456
Nominal Capital # Rs.5,00,00,000/-
Paid Up Capital # Rs.4,44,90,000/-

COMPLIANCE CERTIFICATE

To
The Members of the Company,
M/s. i Power Solutions India Limited
9/5, II Floor, 2nd Main Road, Karpagam Gardens,
Adyar, Chennai - 600 020.

Sir,

I have examined the registers, records, books and papers of M/s. i Power Solutions India Limited , as required to be maintained under the Companies Act, 1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31/3/2010. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure A to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure B to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The company being a public limited company, has the minimum prescribed paid up capital.
4. The Board of Directors duly met 5 times respectively on 30/6/2009, 31/7/2009, 30/10/2009, 01/12/2009 and 29/1/2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has closed its register of members for the period from 21/9/2009 to 29/9/2009.
6. The AGM for the financial year ended on 31/3/2009 was held on 29/9/2009 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No EGM was held during the financial year.
8. The company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.

11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government.
12. The company has not issued any duplicate share certificates during the financial year.
13. There was no allotment /transmission, but transfer of securities during the financial year.
- (ii) The company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
- (iii) The company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
- (v) The Company duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The company has not appointed any Managing Director / Whole Time Directors / Managers during the year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares, debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited / accepted any deposits including any unsecured loans falling within the purview of section 58 A during the financial year.
24. The company has not borrowed any money during the year and hence provisions of Section 293 (1) (d) is not attracted.
25. The company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.

28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its Articles of Association during the year under review.
31. There were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The company has not deducted any contribution towards Provident Fund during the financial year.

Place: Chennai

Date: 02.08.2010

Sd./-

B.PRABAKAR

C. P. No. 9106

ANNEXURE - A

1. Register of Investments under section 49.: does not arise.
2. Register of Deposits under Rule 7 of the Companies (Acceptance of Deposits) Rules, 1975.: NIL
3. Register of Securities Bought Back under Section 77 A: NIL
4. Register of Charges under Section 143 / Copies of Instruments creating charge under section 136: MAINTAINED
5. Register of Members under section 150 and Index of Members under section 151.: MAINTAINED
6. Register and Index of Debenture holders under section 152: NIL
7. Foreign Registers of Members or Debenture holders under section 157.: NIL
8. Registers and Returns under section 163.: MAINTAINED
9. Minutes Book of Meetings: MAINTAINED
10. Minutes Book of Class Meeting / Creditors Meeting: NIL
11. Books of Accounts and Cost Records under Section 209.: NIL
12. Register of Particulars of Contracts in which Directors are Interested under section 301.: NIL
13. Register of Directors, Managing Director, Manager and Secretary under Section 303.: MAINTAINED
14. Register of Directors' Shareholdings under Section 307.: MAINTAINED
15. Register of Investments or loans made, guarantee given or security provided under section 372 A (wef 31/10/1998): NIL
16. Register of Renewed and Duplicate Certificates under Rule 7 of the Companies (Issue of Share Certificates) Rules, 1960.: NIL
17. Register of Destruction of Records / Documents.: MAINTAINED

OTHER REGISTERS:

1. Register of Inspection: MAINTAINED
2. Register of Directors' Attendance: MAINTAINED
3. Register of Shareholders' Attendance: MAINTAINED
4. Register of Proxies: MAINTAINED
5. Register of Transfers: MAINTAINED
6. Register of Fixed Assets: MAINTAINED
7. Register of Documents Sealed: MAINTAINED

ANNEXURE B:**Periodical Returns:**

- (1) Annual Return: filed
- (2) Balance Sheet, etc., under section 220.: filed
- (3) Compliance Certificate under Section 383A: filed

OTHER IMPORTANT RETURNS:

1. Return of Allotment: nil
 2. Return on Buy back of securities: nil
 3. Notice of redemption of preference shares, consolidation, division, increase in share capital, cancellation of shares and increase in number of members.: nil
 4. Notice of Situation / Change in Situation of Registered Office: nil
 5. Court / CLB orders: nil
 6. Registration of Resolutions and Agreements: nil
 7. Return of Appointment of Managing Director / Whole time director / manager: nil
 8. Consent to act as director of the company (in the case of public company): nil
 9. Particulars of Appointment of directors, managing director, manager, or secretary and changes made (section 303(2)): nil
 10. Return of deposits under section 58A: nil
 11. Particulars of Beneficial interest in shares: nil
 12. Registration of Creation / Modification / Satisfaction of charge: filed
- To be filed with other authorities: nil

MANAGEMENT ANALYSIS

i Power Solutions India Limited

i Power Solutions India Limited, the leading e – commerce and web related service provider has reported significant results for the year ended 31.03.2010..

PERFORMANCE REPORT

- ❖ i Power Solutions India Limited has announced its audited financial results for the year ended 31st March 2010.
- ❖ i Power Solutions India Limited showed a net profit of Rs.2.8 Lacs for the financial year 2010 as compared to Rs. 0.94 Lacs of previous year 2009.
- ❖ The Company focuses its training business and proposes to develop its own brand name.

Particulars	(Rs. in '000)	
	Year ended 31.03.2010	Year ended 31.03.2009
Net Income	6,199	9,045
Total Expenditure	5,919	8,043
Net Profit	280	95
% of Profit growth	195	(45)

The Net income from operation for the year ending 31.03.2010 is Rs. 61.99 Lacs compared to previous year's figure of Rs. 90.45 Lacs for the year ending 31.03.2009.

The total expenditure for the year ending 31.03.2010 is Rs. 51.47 Lacs as compared to previous year's figure of Rs. 80.43 for the year ending 31.03.2009.

The Net profit for the year ending 31.03.2010 is Rs. 2.80 Lacs as compared to the previous year figure of Rs. 95,000, shows increase of 195%.

Consolidated

During the year the company on a consolidated basis witnessed an exponential growth in the segments of Software Development & Services, Education & Training and e-Governance; netting in a cumulative Rs.61.99 Lacs in sales revenue, as compared to Rs 90.45 Lacs in the previous year.

The profit before tax posted for the financial year 2009-10 stood at Rs.2,80,228 as against Rs.95,000 of the previous year, registering a increase of Rs.1,85,228/-.

The shares of the Company remain unaltered during the financial year

CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing Agreement)

I COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is reflected in the manner in which the Company deals with its shareholders, employees, customers as also every other stakeholder including the society in which the Company operates. Your Company is committed towards transparency in all its dealings, adhering to the corporate values and leveraging the corporate values and leveraging the corporate resources in alignment with the benefits to the stakeholders.

The promoters of your Company are committed to moulding Governance with the culture of the Company that is built upon core values, beliefs and ethics.

Your Company's pursuit towards achieving good governance is an ongoing process and it continues to practice corporate Governance of the good standard. A report on the compliance with the Code of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) incorporated in Clause 49 of the Listing Agreement in all material aspects is given below.

II Board of Directors

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors with 3 independent Non-Executive Directors out of the 4 Directors on the Board as on date. The Chairman is an Executive Director and the number of Independent Non-Executive Directors on the Board is more than 50% of the Board Strength at any point of time.

All independent Non-Executive Directors comply with the requirements of the Listing Agreement for being 'independent Directors'. Further the Independent Directors have also affirmed that they satisfy all the prescribed requirements for being an independent Director.

As per the provisions of the Articles of Association of the Company, Mr. K. Bhaskaran, who retires by rotation and being eligible himself for re-appointment at this Annual General Meeting. The Board Governance has also recommended his re-appointment for consideration of the Shareholders.

The Notice for the Annual General Meeting schedule to be held on 22.09.2010 complies with this requirement.

a) Composition of the Board

The Composition of the Board of Directors as on March 31, 2010 is given below :

Name	Category	Designation	Total number of Committee Membership in other companies	Total number of Committee Chairmanship in other companies	Directorship in other companies
Mr. V.Parandhaman	Promoter Director	Chairman cum M.D	-	-	Nil
Mr. D.Ravichandra Babu	Independent Non-Executive Director	Director	-	-	M/s. Trans Corporate Advisory Services (P) Ltd.
Mr. K.Bhaskaran	Independent Non-Executive Director	Director	-	-	M/s. BilvacTechno Management (P) Ltd. M/s. Net-O2 Technologies (P) Ltd.
Mr.CA. Vasudevan	Independent Non-Executive Director	Director	-	-	M/s. Tejasri Developers Pvt. Ltd. Gadag, Karnataka.

b) Board Procedure

A detailed Agenda folder is sent to each Director in advance of Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Chairman apprises the Board at every Meeting of the overall performance of the Company. The Board also reviews strategy and business plans, annual operating and capital expenditure budgets, compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, review of major legal issues, minutes of the Board Meetings of your Company's, adoption of quarterly / half-yearly / annual results, minutes of Meeting of Audit and other Committees of the Board and information on recruitment of officers just below the Board level, including the Compliance officer.

c) Number of Board Meetings, attendance record of the Directors at Meeting of the Board and at the Annual General Meeting

Board Meetings were held during the period 01.04.2009 to 31.03.2010 on the following dates 30.06.2009, 31.07.2009, 30.10.2009, 31.12.2009, and 29.01.2010. The time gap between two meetings did not exceed four months these were well attended.

The Twenty Fourth Annual General Meeting of the company was held on 29.09.2009.

The attendance of the Directors at these Meeting is as under:

Name	Board Meetings held during the year	Board Meetings attended during the year	Attendance at the last AGM held on 29.09.2009 (yes /No)
Mr. V.Parandhaman	5	5	Yes
Mr. D.Ravichandra Babu	5	5	Yes
Mr. K.Bhaskaran	5	5	Yes
Mr. CA. Vasudevan	5	-	Yes

d) Code of Conduct

- The Board will lay down a code of conduct for all Board members and senior management of the company. The code of conduct has been communicated to the Directors.
- All Board members and senior management personnel shall affirm compliance with the code on an annual basis.

Explanation: For this purpose, the term "Senior Management" shall mean personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the executive directors, including all functional heads.

III Committees of the Board**(a) AUDIT COMMITTEE**

- Brief description of terms of reference.
- Composition & qualification, name of members and Chairman.
- Meetings and attendance during the year.

(i) Brief description of terms of reference

The Audit Committee reviews, acts and reports to the Board of Directors with respect to;

- ☐ Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ☐ Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- ☐ Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- ☐ Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference like Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956, Company Compliance with legal and Statutory requirements, internal audit function, Changes if any in accounting policies and practices and reasons for the same.
- ☐ The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee

Though the financial results are sent to the Audit Committee and the Board at the same time, the Audit Committee reviews the audited quarterly, half-yearly and yearly financial results with the management before submitting them to the Board for its consideration and approval. The Chairman of the Audit Committee is present at the Annual General Meeting.

(ii) Composition & Qualification

The Company has a qualified and independent Audit Committee comprising of three directors as members of which Two-thirds of the members are independent directors. All members of audit committee are financially literate with the Chairman of the Committee having the experience in finance, accounting, having requisite professional certification in accounting, financial management experience.

None of the members receive, directly or indirectly, any consulting, advisory or compensatory fees from the Company other than their remuneration as a Director.

Mr. D. Ravichandra Babu	Chairman
Mr. K. Bhaskaran	Member
Mr. V. Parandhaman	Member
Statutory Auditor - Mr.W.S. Madhavann	Special Invitee

(iii) Meetings and Attendance for the year ended 2009-2010

The audit committee met 4 times during the year ended 31st March 2010. The Meetings held during the year were on 30.06.2009, 31.07.2009, 30.10.2009 and 29.01.2010.

Name of Director	No. of Meetings	Meetings attended
Mr. D. Ravichandra Babu	4	4
Mr. V. Parandhaman	4	4
Mr. K. Bhaskaran	4	4
Statutory Auditor – Mr. W.S. Madhavann	4	4

(b) SHAREHOLDERS / INVESTORS GRIEVANCES COMMITTEE

- ❖ Name of Non-Executive Director heading the Committee,
- ❖ Name and designation of Compliance officer.

The company has constituted a shareholder / Investors grievances Committee for redressing shareholders' and investors' complaint. The status on complaints is reported to the Board of Directors as an agenda item.

The Committee specifically looks into redressing of shareholders' and investors' complaints such as:

- ✓ Transfer of shares
- ✓ Transmission of Shares
- ✓ Issuance of Duplicate Share Certificate as and when required
- ✓ Non-receipt of shares,
- ✓ Non-receipt of declared dividends and to ensure expeditious share transfer process.

Composition of Shareholders / Investors Grievances Committee

Members of the Committee are:

Mr. K. Bhaskaran Chairman of the Share Transfer Committee,
Director Independent and Non-Executive.

Mr. V Parandhaman Member who is Director, Non-Independent and Executive.

All of them have attended the committee meetings held during the year.

The members of the Committee met 02 times 31.07.2009 and 29.01.2010 during the year. The committee oversees performance of the Registrar and transfer agents of the company and recommends measures for overall improvement in the quality of investor services.

Name and designation of Compliance Officer

The Paid up Capital of the company is not exceeding Rs.5 Crores. Hence the Company has not appointed any person as the Compliance officer

(c) COMPENSATION (REMUNERATION) COMMITTEE

i Power's remuneration policy is based on three principles: **pay for responsibility, pay for performance and potential** and **pay for growth**. The Company's remuneration committee is vested with all the necessary powers and authority to ensure appropriate disclosure on the remuneration of the Whole-Time Directors and to deal with all elements of remuneration package of all such Directors.

(i) Executive Committee (a voluntary initiative of the company)

The Committee was formed to deal with urgent matters in the event circumstances arise requiring immediate action of the Board of Directors before a meeting of the Board could be convened. The committee also approves the making of loans and investment in accordance with the guidelines considered by the Board..

Mr. D. Ravichandra Babu is the Chairman of the Committee, Mr. V. Parandhaman and Mr. K. Bhaskaran are the other members of this committee and will meet at appropriate time during year.

IV SUBSIDIARY COMPANIES

The Company does not have any Subsidiary Companies.

V DISCLOSURES

(A) Basis of related party transactions

Disclosure on materially significant related party transactions i.e. transactions of the company of material nature with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large.

There are no materially significant related party transactions made by the company with its Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

(B) Disclosure of Accounting Treatment in Preparation of its Financial Statements.

The Company has followed the guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

(C) Board Disclosures – Risk management

Your Company has a well-defined risk management framework in place. The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis chapter of this Annual Report. Your Company has established procedure to periodically place before the Board the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate these risks.

(D) Proceeds from public issues, rights issues, preferential issues etc.

During the financial year ended 31.03.2010 the Company has not raised any funds through Public issue, rights issues and preferential issues.

(E) Remuneration of Directors

Remuneration to Whole-time Directors is fixed by the Remuneration / Compensation Committee and there after approved by the Shareholders at a General Meeting.

(F) Management

As part of the directors' report or as an addition thereto, a Management Discussion and Analysis report annexed as part of the Annual Report to the shareholders.

(G) Disclosure regarding appointment or re-appointment of Directors

According to the Articles of Association of i Power's, not less than 2/3rd of the total number of Directors of the Company shall be person whose period of office is liable to determination by retirement of Directors by rotation. All the Directors are eligible and are offering themselves for re-election as and when required.

During the year Sri K Bhaskaran retires and being eligible offers himself for re-appointment.

(H) Disclosures regarding stock exchange compliance

The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently there were no structures or penalties imposed by either SEBI or the stock exchanges or any statutory authority for non compliance of any matter related to the capital markets during the last three years. The Company has complied with the mandatory requirements of Clause 49

(I) No personnel has been denied access to the Audit committee.

VI MEANS OF COMMUNICATION

The main channels of communication to the shareholders is through the annual report which includes inter alia, the Directors' report, the report on Corporate Governance and the quarterly, half-yearly and annual financial results advertisements.

The quarterly, half-yearly and annual financial results advertisements, official press releases and presentation to analysts are regularly displayed on the company's website www.ipwrs.com.

Newspapers wherein results normally published

The financial results are published in the following newspapers -

- News today
- Maalai Sudar

This information is also submitted to the Stock Exchanges in accordance with the Listing Agreement and displayed at Bombay Stock Exchange Website.

VII GENERAL SHAREHOLDER INFORMATION

1. Registrar and Transfer Agents

During the year our share transfer and all other investor related matters are attended to and processed by the Company's Registrar and Transfer Agents-

M/s. Cameo Corporate Services Limited

'Subramanian Buildings'

No.1 Club House Road, Chennai – 600 002.

Tel No. +91 44 2846 0390 (6 lines) Fax No. +91 44 2846 0129

Grams: CAMEO E-mail: cameosys@satyam.net.in

2. General Body Meetings

Details of last three annual general meetings are given below.

Financial Year ended	Date	Time	Venue
31.03.2007	21.09.2007	3.30 pm	Hotel Sangeetha, Chennai
31.03.2008	21.09.2008	3.30pm	Hotel Sangeetha, Chennai
31.03.2009	29.09.2009	3.30pm	Hotel Sangeetha, Chennai

Postal Ballot

The company has not yet made use of postal ballot.

3. Annual General Meeting

Date	Wednesday, 22nd September 2010
Time	3.00 PM
Venue	Sangeetha Residency, #2, Luz Church Road, Mylapore, Chennai-600 004.

4. Financial Year: 1st April 2009- 31st March 2010

Financial calendar: Adoption of the Quarterly Results for the quarter ending (Approximately)

Financial reporting for Quarter ending 30.06.2009	31.07.2009
Financial reporting for Quarter ending 30.09.2009	30.10.2009
Financial reporting for Quarter ending 31.12.2009	29.01.2010
Financial reporting for Quarter ending 31.03.2010	31.05.2010

5. Book closure: 15th September, 2010 to 22nd September, 2010

6. Listing on Stock Exchanges: Bombay Stock Exchange Limited

7. Stock Code: BSE Limited- 512405

8. Demat International Security Identification Number (ISIN) in NSDL and CDSL for equity shares - INE468F01010

9. Address for correspondence –

i Power Solutions India Limited, II Floor, 9/5, 2nd Main Road,
Karpagam Gardens, Adyar, Chennai-600 020.

10. Share Transfer System

The Company's share are traded in the Stock Exchanges compulsorily in demat mode. Shares in physical mode which are lodged for transfer either with the Company or with the Share Transfer agent are processed and share certificates are returned within the time prescribed by the authorities. A summary of transfer/ transmission etc. of the company so approved by the Chairman/ Company Secretary is placed at every board meeting.

The Company obtains from a Company Secretary in practice; Half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchange and files a copy of the certificate with the BSE.

MARKET DETAILS

The Shares of the Company are generally traded below the Share price Value.

NON-MANDATORY REQUIREMENTS

1. Audit qualifications

Company may move towards a regime of unqualified financial statements.

2. Training of Board Members

A company proposes to train its Board members in the business model of the company as well as the risk profile of the business parameters of the company, their responsibilities as directors, and the best ways to discharge them.

3. Mechanism for evaluating non-executive Board Members

The Chairman in consultation with other directors will recruit additional Director.

4. Whistle Blower Policy

In view of ordinary course of business the policy of Whistle Blower mechanism is not required.

DISTRIBUTION OF SHAREHOLDING

The details of shareholding in your company by major categories of shareholders and distribution schedule as at 30th June 2010 are presented below.

Statement Showing Shareholding Pattern

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in demater alized form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B)1	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group					
1	Indian					
(a)	Individuals/ Hindu Undivided Family	1	2050	0	0.05	0.05
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00
(e)	Any Others(Specify)	0	0	0	0.00	0.00
	Sub Total(A)(1)	1	2050	0	0.05	0.05
2	Foreign					
(a)	Individuals (Non-Residents Individuals/Foreign Individuals)	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0.00
(d)	Any Others(Specify)					
	Director/Relative NRI	2	29,93,458	29,92,258	67.28	67.28
	Sub Total(A)(2)	2	29,93,458	29,92,258	67.28	67.28
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	2	29,95,508	29,92,258	67.33	67.33

(B)	Public shareholding					
1	Institutions					
(a)	Mutual Funds/ UTI	0	0	0	0.00	0.00
(b)	Financial Institutions / Banks	0	0	0	0.00	0.00
(c)	Central Government/ State Government(s)	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00
(h)	Any Other (specify)	0	0	0	0.00	0.00
	Sub-Total (B)(1)	0	0	0	0.00	0.00
B 2	Non-institutions					
(a)	Bodies Corporate	81	1,90,969	1,90,969	4.29	4.29
(b)	Individuals					
I	(i) Individual shareholders holding nominal share capital up to Rs 1 lakh	1,518	8,30,863	8,18,313	18.68	18.68
II	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	10	3,06,545	3,06,545	6.89	6.89
(c)	Any Other (Clearing Member)	6	2,336	2,336	0.53	0.53
(c-i)	Hindu Undivided Families	31	19,660	19,660	0.44	0.44
(c-ii)	Non Resident Indians	4	1,03,119	1,03,119	2.32	2.32
	Sub-Total (B)(2)	1,650	14,53,492	14,40,942	32.67	32.67
(B)	Total Public shareholding (B) = (B)(1) + (B)(2)	1,650	14,53,492	14,40,942	32.67	32.67
	TOTAL (A)+(B)	1,653	44,49,000	44,33,200	100	100
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	1,653	44,49,000	44,33,200	100	100

AUDIT REPORT TO MEMBERS

I have audited the attached Balance sheet of i **Power Solutions India Limited** as at 31st March 2010 also the Profit and Loss account of the Company for the Year ended on that date both annexed thereto. These Financial statements are the responsibility of the management. My responsibility is to express an opinion on these financial statements based on my audit.

I conduct the audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence and 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 statements presentation. I believe that my audit provides a reasonable basis for my opinion.

1. As required by the Manufacturing and other companies Auditor's report order 1988, issued by the company law board in terms of section 227 (4A) of the companies act, 1956, I enclose in the annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
2. Further to comments in the annexure referred to in paragraph 1 above, I report that:
 - (i) I have obtained all the information and explanations which to the best of my knowledge and belief are necessary for the purpose of my audit.
 - (ii) In My opinion proper books of accounts as required by law have been kept by the company so far as it appears from my examination of such books.
 - (iii) The Balance sheet and Profit and loss account and Cash Flow Statement referred in to this report are in agreement with the books of account.
 - (iv) In My opinion, the Balance sheet , Profit and loss account and Cash flow statement dealt with by this report comply with the applicable Accounting Standards referred to in Section 211(3c) of the Companies Act, 1956
 - (v) On the basis of information and explanations given to me, none of the directors of the company is prima facie, as at 31st March 2010 disqualified from being appointed as a Director of the company under Section 274(1) (g) of the Companies Act, 1956
 - (vi) In My opinion and to the best of My information and according the explanations given to me the said Balance sheet and Profit and Loss account read together with the notes therein, give the information required by the companies act, 1956, in the manner so required and give a true and fair view :
 - (a) In so far it relates to the Balance Sheet of the state of affairs of the company as at 31st March 2010
 - and
 - (b) In so far as it relates to the Profit and Loss account, of the Profit of the company for the Year ended on that date.
 - (C) In the case of the Cash Flow statement, of the cash flows for the year ended on that date.

Sd./-

W.S.MADHAVANN
Chartered Accountant

Date: 31.05.2010
Place: Chennai

ANNEXURES TO THE AUDITORS REPORT

(Referred to in Paragraph 3 of my Report of Even Date)

- i (a) The Company has maintained proper records showing full particulars including Quantitative details and situation of fixed assets.
- i (b) As explained to me, physical verification of a major portion of fixed assets as at March 2010 was conducted by the Management during the year. In my opinion, the frequency of verification is reasonable. Having regard to the size of the operations of the company and on the basis of explanations received, in my opinion, the net difference found on physical verification were not significant.
- ii. The Company has no inventories and therefore, the provisions of clause 4 (ii) of the Companies (Auditor's Report) order, 2003 are not applicable to the company
- iii. The Company has taken unsecured loans from other parties covered in the register maintained under section 301 of the Companies Act, 1956 and is not prima-facie prejudicial to the interest of the company.
- iv. In my Opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of fixed assets and with regard to the sale of goods and services. During the course of my audit, I have not observed any major weakness in the internal controls.
- v. (a) To the best of my knowledge and belief and according to the information and explanations given to me, I am of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered on the Register to be maintained under that section.
- (b) Transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at that relevant time.
- vi In my opinion and according to the information and explanations given to me, the company has not accepted deposits from the public during the year.
- vii. In my opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii. According to the information and explanations given to me, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for any products of the company.
- ix. According to the information and explanations given to me, no undisputed amount payable in respect of Income tax, Sales tax, Custom Duty, Excise Duty and cess were in arrears, as at March 2010 for a period of more than six months from the date they became payable.
- x. In my opinion and according to the information and explanations given to me, the company has not borrowed any loan from Financial Institution or Bank, hence default in repayment of dues to financial institution or bank does not arise.

- xi. In my opinion and according to the explanations and information given to me, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xii. In my opinion and according to the information and explanations given to me, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the CARO, 2003 are not applicable to the company.
- xiii. In my opinion and according to the information and explanations given to me, the company has not given any guarantee, for loans taken by others from banks or financial institution; hence prima-facie prejudicial to the interest of the company does not arise.
- xiv. In my opinion and according to the information and explanations given to me, the company has not taken any term loans and the purpose, hence the application of such loan for which they were raised does not arise.
- xv. In my opinion and according to the information and explanations given to me, and on an overall examination of the balance sheet of the company, I report that no funds raised on short-term basis have been used for long-term investment.
- xvi. To the best of my knowledge and belief and according to the information and explanations given to me, no fraud on by the company has been noticed or reported during the course of my audit.

Clauses 4(xiii) and 4(xix) of the Companies (Auditor's Report) order 2003 are not applicable to the Company.

Sd./-

W.S.MADHAVANN

Chartered Accountant

Membership No: 201067

**DECLARATION REGARDING COMPLIANCE BY CEO
WITH THE COMPANY'S CODE OF CONDUCT PURSUANT TO
CLAUSE 49 OF THE LISTING AGREEMENT**

As the Chief Executive Officer of iPower Solutions India Ltd and as required by Clause 49 (I) (D) (ii) of the Listing Agreement this is to confirm that the company has adopted a Code of Conduct for all the Board members and Senior Management the Company.

I confirm that the company has in respect of financial year ended 31.03.2010, received from the Senior management team of the company and the members of the Board a declaration with the Code of Conduct and ethics as applicable to them.

Sd/-
A.S. Ravi Venkatesh
Chief Executive Officer

Date: 31.05.2010

CFO CERTIFICATION

We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

We are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee

- i. Significant changes in internal control over financial reporting during the year;
- ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd./-
S.JAGADEESAN
Chief Financial Officer

Date: 01.07.2010

W. S. Madhavann

1G, Sri Padmavathy Apartments, Sankarapuram 1st Street,
Choolaimedu, Chennai – 94. Tel 044 2481 1246

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of i Power Solutions India Ltd

We have examined the compliance of conditions of Corporate Governance by iPower Solutions India Limited, for the year ended 31st March 2010, 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 has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Shareholders/Investor's Grievance committee.

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

Sd/-

W. S. Madhavann

Chartered Accountants
Membership No.201067

Place: Chennai

Date: 31.05.2010

i POWER SOLUTIONS INDIA LIMITED
BALANCE SHEET

Fig. in Rupees

		AS AT 31.03.2010	AS AT 31.03.2009
Source of Funds :	Sch No.		
Shareholders funds :			
Share capital	1	44,490,000	44,490,000
Reserves & Surplus	2	7,074,573	6,794,345
Secured Loans - Loan from Directors		23,154,784	-
Unsecured Loans- Loan from Directors		5,342,005	25,405,875
Total		<u>80,061,362</u>	<u>76,690,220</u>
Application of Funds :			
Goodwill	(a)	8,680,000	8,680,000
Fixed assets (net of depreciation)	(b) 3	4,375,839	5,145,796
Capital Work in Progress	(c)	62,948,240	58,856,953
Current assets	4	3,703,191	3,838,360
Loans and advances	5	776,916	773,189
Total of current assets		<u>4,480,107</u>	<u>4,611,549</u>
Less: Current liabilities & Provisions	6	422,824	604,078
Net current assets	(d)	4,057,283	4,007,471
Misc expenditure to the extent not written off	(e)	-	-
Total	(a) to (e)	<u>80,061,362</u>	<u>76,690,220</u>
Notes on accounts	8		

Sd./-

V. Parandhaman
Director

Sd./-

K.Bhaskaran
Director

Vide my report of even date annexed

Sd./-

W.S. Madhavann
Chartered Accountant

Date : 31.05.2010
Place : Chennai

i POWER SOLUTIONS INDIA LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010

Fig. In Rupees

	Sch No.	Year ended 31.03.2010	Year ended 31.03.2009
Income from operations :			
Income from Software Development		6,154,748	9,045,343
Other income		44,770	-
Total		<u>6,199,518</u>	<u>9,045,343</u>
Expenditure - Operations :			
Administrative & other expenses	7	4,592,299	8,043,068
Depreciation	Annexure	772,207	907,436
Interest on Secured loans		554,784	-
Balance Before tax and appropriations		<u>5,919,290</u>	<u>8,950,504</u>
Surplus for the current year		280,228	94,839
Total available for Appropriation for the year		280,228	94,839
Balance carried to balance sheet for the year		<u>280,228</u>	<u>94,839</u>

Vide my report of even date annexed

Sd./-
V. Parandhaman
 Director

Sd./-
K.Bhaskaran
 Director

Sd./-
W.S. Madhavann
 Chartered Accountant

Date: 31.05.2010
 Place: Chennai

Schedule to Balance sheet	Sch No.	In Rs. As at 31.03.2010	In Rs. As at 31.03.2009
Share Capital :	1		
Authorised :			
50,00,000 equity shares of Rs.10/- each		50,000,000	50,000,000
Issued,subscribed and paid up :			
44,49,000 equity shares of Rs.10/- each		44,490,000	44,490,000
(Previous year : 44,49,000 equity shares of Rs.10/- each)			
Reserves and Surplus :	2		
General reserve:			
Balance available in surplus account		6,794,345	6,699,506
Add: Current year profits		280,228	94,839
Balance in General reserve		7,074,573	6,794,345
Total		7,074,573	6,794,345
Fixed assets :	3		
Gross block		5,148,046	6,053,232
Less: Depreciation (2009-10)		772,207	907,436
Net Block		4,375,839	5,145,796
Current assets :	4		
Trade receivables (More than six months)		-	-
Trade receivables (Less than six months)		3,519,757	3,185,450
Cash & Cheques on hand		9,317	5,580
Balance with Banks		174,117	647,330
		3,703,191	3,838,360
Unsecured considered good :(Loans & advances)			
Advances recoverable in cash or in kind or for value to be received,	5	776,916	773,189
Current liabilities :	6		
Trade Payables		151,229	231,674
Other payables & Provisions		271,595	372,404
		422,824	604,078

Schedule to Profit and Loss Account	Sch No.	In Rs. As at 31.03.2010	In Rs. As at 31.03.2009
Administrative & other expenses	7		
Advertisement expenses		35,592	65,522
Audit fees- statutory and Tax audit		37,500	22,500
Membership fees & Certification fees		7,768	11,150
Subscription to Books and periodicals		25,657	4,830
Internal Audit fee		20,000	-
Legal fees		59,750	-
Listing fees		11,930	
AGM expenses		35,770	51,487
Course materials - IIHT		2,133	93,020
Electricity expenses		132,669	234,909
Licence fees and taxes & Service tax		13,197	16,326
Insurance charges		5,119	13,356
Internet charges		160,942	195,598
Directors Sitting Fees		14,000	13,500
Postage and telegram & courier		34,870	13,020
printing and stationery		37,180	46,819
Rent and amenities		734,200	880,124
Repairs and maintenance other than Vehicle		67,556	315,727
Salaries		2,152,902	2,934,433
Service charges		106,212	144,816
Hospitality Expenses - Staff Refreshment		93,655	78,472
Telephone expenses		114,452	162,276
Travelling and conveyance		41,086	20,776
Development and outsourcing expenses		492,367	2,126,608
Server charges and BPO charges		99,369	59,260
Fringe Benefit tax on expenses		-	13,410
Consultancy Charges		55,300	211,551
Development expenses - Biometrics & Bio informatics		-	182,426
Finance Charges		1,123	131,152
Total		4,592,299	8,043,068

i POWER SOLUTIONS INDIA LIMITED

Depreciation workings (As per Books) for the year 2009-2010

Description of an Asset	WDV as on 1/4/2008	Addition/ (Deletion)	Balance before Depn	Rate of Depn	Depn for the year	WDV as on 31/3/2010
Computers	2,811,478	-	2,811,478	15	421,722	23,899,741
Furnitures & Fixtures	1,280,235	-	1,280,235	15	192,035	1,088,185
Office Equipment	857,256	2,250	859,506	15	128,926	730,625
Electrical Equipment	196,827	-	196,827	15	29,524	167,288
Total	5,145,796	2,250	5,148,046		772,207	4,375,839

Schedule 8 : Notes on Accounts

Statement of Significant Accounting policies :

General :

Accounts have been prepared on Accrual basis.

Revenue Recognition :

The Company follows the completed project method of accounting for contract and Capital work in progress (web Portal). Under this method , the revenue is recognized only when the contract is completed or substantially completed, that is when only minor work is expected other than warranty work. Till such time cost incurred and progress payments if any received are accumulated. When the Capital work in progress expenses relating to web portal is completed, the identifiable cost shall be transferred to web site portal categorized under Fixed Assets and norms stipulated in AS 10 shall be followed.

Secured Loans

The Company has entered in to Deed of Hypothecation dated 10/12/2009 with Shri.V.Parandhaman, Share holder and Director of the Company for the Secured loan amount lent by him to the company (shown under Secured loan – Loan from Directors as at 31.03.2010 in the Balance sheet) on various dates as Business loan. The Company has agreed (vide deed of hypothecation dated 10/12/2009) to secure the due repayment of the loan with interest thereon and all monies payable there under by creating a charge by way of hypothecation of its book debts, receivables, outstanding moneys, claims and demands arising from and out of the projects undertaken and service rendered by the company both present and in future. The Company has agreed to pay to the lender an interest @ 8% on the outstanding loan amount for the year ended 31.03.2010

Fixed Assets :

Fixed assets are stated at cost less accumulated depreciation

Depreciation on Fixed assets is provided based on Written down value method as per Income tax Act as amended.

Information required under paragraph 3 and Para 4 of Part II of schedule VI of the companies act, 1956 are not applicable.

Previous year's figures have been regrouped to conform to the classification adopted for the current year.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

(Pursuant to Clause 32 of the Listing Agreement)

	Year ended 2010	Year ended 2009
A.Cash Flow from Operations :	Rs.	Rs.
Profit Before Tax	280,228	94,839
Add: Depreciation	772,207	907,436
Operating profit before working capital changes	1,052,435	1,002,275
Sundry Debtors- Increase / Decrease	(334,307)	(1,486,787)
Loans and Advances - Increase / Decrease	(1,522,685)	2,752,421
Current Liabilities-Increase/ Decrease	361,705	427,587
Misc. expenses not written off - Increase/ Decrease	—	—
Cash Generated from operating activities - A	<u>(442,852)</u>	<u>2,695,496</u>
B.Cash Flow from investing activities :		
Cash outflow		
Purchase of Fixed Assets	2,250	(642,778)
Capital work in progress Increase/ Decrease	(2,565,004)	3,135,711
Cash inflow		
Sale of fixed assets	—	—
Net cash from investing in Financing activities - B	<u>(2,562,754)</u>	<u>2,486,933</u>
Cash flow from financing activities	2,536,130	(4,635,000)
Net cash flow from financing Activities	2,536,130	(4,635,000)
Net increase/ (decrease) in cash/ cash equivalent	<u>(469,476)</u>	<u>547,429</u>
Cash and cash equivalent at the beginning of the year	652,910	105,481
Cash and cash equivalent at the end of the year	183,434	652,910
Net increase/ (decrease) in cash/ cash equivalent	<u>(469,476)</u>	<u>547,429</u>

Part IV	
Balance Sheet Abstract and Company's General Business Profile	
Name of the Company : i POWER SOLUTIONS INDIA LIMITED	
I. Registration Details	
Registration No. 047456	State Code: 18 (Refer Code List)
Balance-sheet: 31st March 2010	
II. Capital raised during the year (Amount in Rs. Thousands)	
Public Issue - Nil	Rights Issue - Nil
Bonus Issue - Nil	Private Placement - Nil
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)	
Total Liabilities: Rs. 80,061	Total Assets: Rs. 80,061
Sources of Funds	
Paid-up Capital: Rs. 44,490	Reserves & Surplus : Rs. 7,074
Secured Loans: Rs. 23,155	Unsecured Loans: Rs. 5,342
Application of Funds	
Net Fixed Assets: Rs. 4,376	Investments: Nil
Net Current Assets : Rs. 4,057	Misc. Expenditure : Nil
Accumulated Losses : NIL	
IV. Performance of company (Amount in Rs. Thousands)	
Turnover : Rs. 6,200	Total Expenditure : Rs. 5,919
	Profit / (Loss) Before Tax : Rs.280
	Profit / (Loss) After Tax : Rs.280
Earnings per share (in Rs.) Negligible	Dividend rate (%) : Nil

i POWER SOLUTIONS INDIA LIMITED

No. 9/5, II Floor, 2nd Main Road, Karpagam Gardens, Adyar, Chennai - 600 020.

ATTENDANCE SLIP

Please fill Attendance Slip and hand it over at the Entrance of the Meeting Hall.

NAME AND ADDRESS OF THE SHAREHOLDER

Folio No.

--

DP.Id

--

CLIENT ID*

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Applicable to investors holding shares in
electronic form

I hereby record my presence at the 25th Annual General Meeting at **Sangeetha Residency**,
#2, Luz Church Road, Mylapore, Chennai - 600 004.

Signature of the member or Proxy

No. of Shares held

i POWER SOLUTIONS INDIA LIMITED

9/5, II Floor, 2nd Main Road, Karpagam Gardens, Adyar, Chennai-600 020.

PROXY FORM

I/We.....of.....in district
of.....being a member(s) of the above named company hereby appoint
Mr./Ms.of.....in the district.....of
or failing him Mr./Ms.of.....in district of
..... as my/our Proxy and to vote for me/us on my/our behalf at the 25th Annual
General Meeting of the Company to be held on the 22nd September 2010 at 3.00 PM and at any adjournment
thereof.

Signed thisday of2010.

Folio No:.....

DP ID:..... CLIENT ID:.....

Re.1/- Revenue Stamp

Notes:

1. The proxy to be valid should be deposited at the Registered Office of the Company not later than Forty-Eight hours before the time fixed for holding the Meeting.
2. The Proxy should be executed on Re.1 Revenue Stamp.

BOOK-POST

If undelivered, please return to :

i Power Solutions India Limited

No. 9/5, II Floor, 2nd Main Road,
Karpagam Gardens, Adyar, Chennai - 600 020.