

i Power Solutions India Limited



**27th Annual Report
2011 - 12**

BOARD OF DIRECTORS

Mr. V. PARANDHAMAN	- Chairman cum Managing Director
Mr. D. RAVICHANDRA BABU	- Independent Director
Mr. K. BHASKARAN	- Independent Director
Mr. R. JAYAPRAKASH	- Independent Director

REGISTERED CUM CORPORATE OFFICE

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

STATUTORY AUDITOR

W.S.MADHAVANN

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

INTERNAL AUDITOR

V.R.SRIDHARAN

Chartered Accountant

BANKERS

Bank of Maharashtra, Chennai - 600 090.
Punjab National Bank, Chennai - 600 018.
Indian Bank, Chennai - 600 090.

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 27th Annual General Meeting of the members of M/s. iPower Solutions India Limited will be held on 24th September 2012 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 2012 and the Profit & Loss Account for the year ended 31st March 2012 together with the reports of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr.R.Jayaprakash, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration.

By Order of the Board
i Power Solutions India Limited

Sd./-
V.PARANDHAMAN
Chairman

Date: 7.8.2012

Place: Chennai

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 17th September, 2012 to 24th September, 2012 (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. **Distribution of Gifts at AGM:**

The Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India has specifically mentioned that no gifts, gift coupons or cash in lieu of gifts should be distributed to the members at or in connection with the meeting, which is also being considered by the Ministry of Company Affairs.

Hence pursuant to the above Secretarial Standards, your company decided not to distribute any gifts to the members attending the forthcoming Annual General Meeting.

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 2012.

FINANCIAL PERFORMANCE

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

PARTICULARS	(in Rupees)	
	2012	2011
Profit / (Loss) before Interest and Finance Charges and Depreciation	8,17,097	9,78,366
Interest and Finance Charges	1,35,242	2,20,276
Profit / (Loss) before Depreciation	6,81,855	7,58,090
Depreciation	5,58,097	6,57,231
Profit / (Loss) after Depreciation before Tax	1,23,758	1,00,859
Preliminary Expenses	Nil	Nil
Profit / (Loss) before Tax	1,23,758	1,00,859
Provision for Income Tax, Current Tax, Deferred Tax	Nil	Nil
Profit / (Loss) after Tax but before dividend	1,23,758	1,00,859

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 doing software projects in PHP, Java and Dot Net technologies, Web applications, Android, iPhone applications etc. The Company has a social networking portal called vanavil.com.

DIRECTORS

Mr. R. Jayaprakash retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. His re-appointment is recommended.

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 Certificate on Corporate Governance has been annexed as a part of this Annual Report.

DEPOSITS

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

DIVIDEND

No dividend is recommended during the financial year ended 31st March 2012.

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 from a Company Secretary. Accordingly, Mr. P. Srinivasa Rao, Practising Company Secretary has issued a 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 \$ 49,099

Foreign Exchange Outgo: US \$ 52,000

PERSONNEL

There were no employees in the Company who were in receipt of remuneration pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 and the rules framed thereunder.

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 31.03.2012 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 31.03.2012.
- ❖ 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, Bombay Stock Exchange Limited, Cameo Corporate Services Ltd., our employees and the various customers who are patronising our products.

For and on behalf of the Board

Sd./-

V. PARANDHAMAN

Chairman

Date: 07.08.2012

Place: Chennai

COMPLIANCE CERTIFICATE

The Members,
M/s. i POWER SOLUTIONS INDIA LIMITED,
No.9/5, II Floor, II Main Road, Karpagam Gardens,
Adyar, Chennai - 600 020.

CIN L72200TN2001PLC47456
Authorised Capital : 5,00,00,000/-

I have examined the registers, records, books and papers of M/s. i POWER SOLUTIONS INDIA LIMITED ("the Company") as required to be maintained under the Companies Act, 1956 ("The Act") and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2012. In my opinion and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, and to the best of my knowledge and belief, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained the registers as stated in Annexure 'A' to this certificate, as per the provisions of the Companies Act, 1956 and the rules made thereunder.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Chennai, under the Companies Act, 1956 and the rules made thereunder.
3. The Company has a paid-up capital of Rs.4,44,90,000/- (Rupees Four Crore Forty Four Lakhs Ninty Thousand only) as on 31st March, 2012.
4. The Board of Directors met four times on 27.05.2011,04.08.2011,10.11.2011 and 27.01.2012 and the proceedings were properly recorded. The Company has not passed any board resolution by circulation.
5. The Company has closed its Register of Members for the period from 15.09.2011 to 22.09.2011.
6. The Annual General Meeting for the financial year ended 31st March, 2011 was held on 22nd September, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year under review.
8. According to the information, explanations and declarations given by the Company, the Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Companies Act, 1956.
9. According to the information, explanations and declarations given by the Company, the Company has not entered into any contracts falling within the purview of Section 297 of the Companies Act, 1956 during the year under scrutiny.
10. The Company has made necessary entries in the register to be maintained under Section 301 of the Companies Act, 1956.
11. According to the information, explanations and declarations given by the Company, there were no transactions/instances falling within the purview of Section 314 of the Companies Act, 1956, therefore the Company was not required to obtain any approvals from the Board of Directors, Members or Central Government, as the case may be in this regard.
12. The Company has not issued any duplicate share certificates during the year under scrutiny.
13. The Company has:

- I. not issued and allotted any securities and there were transfers made during the said financial year.
 - II. not declared any dividend during the financial year.
 - III. generally complied with the requirements of Section 217 of the Companies Act, 1956.
14. The Board of Directors of the Company is duly constituted and there was an appointment of director retiring by rotation during the year and no appointment of alternate directors, or directors to fill casual vacancy during the year under scrutiny.
 15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial 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 from the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the provisions of the Companies Act, 1956 during the year under scrutiny.
 18. The Directors have disclosed their interest in other companies, firms to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
 19. The Company has not issued shares, debentures or other securities during the financial year.
 20. The Company has not bought back any shares during the year under scrutiny.
 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 taken loans from its directors which attract the provisions of Section 58A of the Companies Act 1956 falling within the purview of acceptance of deposits from the public during the financial year under review.
 24. The company has borrowed money from directors and others but within the borrowing limits of the Company, as per the provisions of Section 293(1)(d) of the Companies Act, 1956.
 25. The Company has not made any loans or guarantees given or security provided to other bodies corporate or investment made in other bodies corporate under the provisions of Section 372A of the Companies Act, 1956.
 26. The Company has not altered any provisions of the memorandum of association during the year under scrutiny.
 27. The Company has not altered its articles of association during the year under scrutiny.
 28. There were no prosecutions initiated against the Company. However, a notice was received from the Registrar of Companies, Mumbai directing the company to file balance sheets for the previous years. It was explained that the registered office of the company was shifted from Mumbai to Chennai with effect from 29.3.2001 therefore filing balance sheets with Mumbai Registrar of Companies does not arise. A notice was received from the Reserve Bank of India directing the company to file annual returns on foreign liabilities and assets for the year 2010-11.
 29. The Company has not received any money as security from its employees during the financial year under scrutiny.
 30. The Company has not deducted any contribution towards Provident Fund u/s 418 of the Companies Act, 1956 during the year under study.

Place : Chennai
Date : 7.8.2012

P.SRINIVASARAO
COMPANY SECRETARY IN-PRACTICE

ANNEXURE – A

- 1) Register of Members u/s 150 of the Companies Act, 1956.
- 2) Register of Directors' Shareholdings u/s 307 of the Companies Act, 1956.
- 3) Register of Directors, Managing Directors, Manager and Secretary u/s 303 of the Companies Act, 1956.
- 4) Register of Contracts u/s 301(3) of the Companies Act, 1956.
- 5) Register of Charges u/s 143 of the Companies Act, 1956.

ANNEXURE – B

S.No.	Form No./ Return	Filed under section	For	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether additional fee paid Yes/No
1.	Form 23AC/ACA Balance Sheet	220	Annual Accounts for the year ended 31.03.2011.	20.12.2011	yes	No
2.	Form 20B Annual Return	159	Annual Return made up to 30.09.2011.	17.11.2011	Yes	No
3.	Form 66 Secretarial Compliance Certificate	383A	For the financial year 2010-2011	13.10.2011	No	Yes

Place : Chennai
Date : 7.8.2012

P.SRINIVASARAO
Company Secretary-in Practice

MANAGEMENT ANALYSIS

iPower Solutions India Limited

iPower Solutions India Limited, the leading e-commerce and web related service provider has reported significant results for the year ended 31.03.2012.

PERFORMANCE REPORT

- ❖ iPower Solutions India Limited has announced its audited financial results for the year ended 31st March 2012.
- ❖ iPower Solutions India Limited showed a net profit of Rs.1.24 Lacs for the financial year 2012 as compared to Rs.1.01 Lacs of previous year 2011.
- ❖ The Company focuses its training business and proposes to develop its own brand name.

Particulars	(Rs. in '000)	
	Year ended 31.03.2012	Year ended 31.03.2011
Net Income	6,186	4,199
Total Expenditure	6,062	4,098
Net Profit	124	101
% of Profit growth	23	(64)

The Net income from operation for the year ending 31.03.2012 is Rs. 61.86 Lacs compared to previous year's figure of Rs.41.99 Lacs for the year ending 31.03.2011.

The total expenditure for the year ending 31.03.2012 is Rs. 60.62 Lacs as compared to previous year's figure of Rs.40.98 for the year ending 31.03.2011.

The Net profit for the year ending 31.03.2012 is Rs. 1.24 Lacs as compared to the previous year figure of Rs.1.01 Lacs shows increase of 23%.

During the year the company witnessed a growth in the segments of Software Development & Services, Education & Training resulting in a cumulative Rs. 61.86 Lacs in sales revenue, as compared to Rs.41.99 Lacs in the previous year.

The profit before tax posted for the financial year 2011-12 stood at Rs. 1.24 lacs as against Rs.1.01 lacs of the previous year, registering an increase of Rs.0.23 lacs

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 provisions of the Articles of Association of the Company, Mr. R. Jayaprakash retires by rotation and being eligible offers himself for re-appointment at the forthcoming Annual General Meeting. The Board recommends his re-appointment for consideration of the Shareholders.

The Notice for the Annual General Meeting schedule to be held on 24.09.2012 complies with this requirement.

a) Composition of the Board

The Composition of the Board of Directors as on March 31, 2012 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. Veryx Technologies (P) Ltd
Mr. R.Jayaprakash	Independent Non-Executive Director	Director	-	-	M/s. K Soft Systems Private Limited

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 on 27.05.2011, 04.08.2011, 10.11.2011 and 27.01.2012. The time gap between two meetings did not exceed four months and these were well-attended.

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 22.09.2011 (yes /No)
Mr. V.Parandhaman	4	4	Yes
Mr. D.Ravichandra Babu	4	-	Yes
Mr. K.Bhaskaran	4	4	Yes
Mr. R.Jayaprakash	4	2	No

The Twenty Sixth Annual General Meeting of the company was held on 22.09.2011.

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

(iii) Meetings and Attendance for the year ended 2011-2012

The audit committee met 4 times during the year ended 31st March 2012. The Meetings held during the year were on 27.05.2011, 04.08.2011, 10.11.2011 and 27.01.2012.

Name of Director	No. of Meetings	Meetings attended
Mr. D. Ravichandra Babu	4	-
Mr. V. Parandhaman	4	4
Mr. K. Bhaskaran	4	4
Mr. R. Jayaprakash	4	2
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
- ✓ Issue of duplicate share certificate as and when required
- ✓ Non-receipt of declared dividends and to ensure expeditious share transfer process.
- ✓ Transmission of Shares
- ✓ Non-receipt of shares

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 Shareholders/investors Grievances committee met two times during the year ended 31.3.2012, on 4.8.2011 and 27.1.2012.

Name of Director	No. of Meetings	Meetings attended
Mr.V.Parandhaman	2	2
Mr. K. Bhaskaran	2	2

The committee oversees the performance of the Registrar and Share 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. K. Bhaskaran is the Chairman of the Committee, Mr. V. Parandhaman and Mr. D. Ravichandra Babu 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 31.03.2012 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 Mr. R. Jayaprakash 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 Exchange 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', 1 Club House Road, Chennai – 600 002.

Tel No. +91 44 2846 0390 (5 lines) Fax No. +91 44 2846 0129

Grams: CAMEO E-mail: cameo@cameoindia.com

2. General Body Meetings

Details of last three annual general meetings are given below.

Financial Year ended	Date	Time	Venue
31.03.2009	29.09.2009	3.00 pm	Hotel Sangeetha, Chennai
31.03.2010	22.09.2010	3.00 pm	Hotel Sangeetha, Chennai
31.03.2011	22.09.2011	3.00 pm	Hotel Sangeetha, Chennai

Postal Ballot: The company has not yet made use of postal ballot.

3. Annual General Meeting

Date	Monday, 24th September 2012	Time : 3.00 P.M.
Venue	Sangeetha Residency, #2, Luz Church Road, Mylapore, Chennai-600 004.	

4. Financial Year: 1st April 2011- 31st March 2012

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

Financial reporting for Quarter ending 30.06.2011	04.08.2011
Financial reporting for Quarter ending 30.09.2011	10.11.2011
Financial reporting for Quarter ending 31.12.2011	27.01.2012
Financial reporting for Quarter ending 31.03.2012	25.05.2012

5. Book closure: 17th September, 2012 to 24th September, 2012

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 at 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 a Half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges 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 2012 are presented below.

Statement Showing Shareholding Pattern

Partly paid-up shares:-	No. of partly paid-up shares	As a % of total no. of partly paid-up shares	As a % of total no. of shares of the company
Held by promoter/promoter group	—	—	—
Held by public	—	—	—
Total - D	—	—	—
Outstanding convertible securities:	No. of outstanding securities	As a % of total no. of outstanding convertible securities	As a % of total no. of shares of the company, assuming full conversion of the convertible securities
Held by promoter/promoter group	—	—	—
Held by public	—	—	—
Total - E	—	—	—
Warrants:-	No. of warrants	As a % of total no. of warrants	As a % of total no. of shares of the company assuming full conversion of warrants
Held by promoter/promoter group	—	—	—
Held by public	—	—	—
Total - F	—	—	—
Total paid-up capital of the company, assuming full conversion of warrants and convertible securities	4449000		

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF HOLDERS	TOTAL NO. OF SHARES	SHARES IN DEMAT	TOTAL SHAREHOLDING AS A PERCENTAGE OF TOTAL NO. OF SHARES		SHARES PLEDGED OR OTHERWISE ENCUMBERED	
					As a % of (A+B) (VI)	As a % of (A+B+C) (VII)	Number of shares (VIII)	As a percentage (IX) = (VIII) / (IV)*100
A	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP	---	---	---	---	---	---	---
1	INDIAN	---	---	---	---	---	---	---
a.	Individuals/ Hindu Undivided Family	1	2050	0	0.0460	0.0460	0	0.0000
b.	Central Government / State Government(s)	0	0	0	0.0000	0.0000	0	0.0000
c.	Bodies Corporate	0	0	0	0.0000	0.0000	0	0.0000
d.	Financial Institutions/Banks	0	0	0	0.0000	0.0000	0	0.0000
e.	Any Other							
	SUB TOTAL (A) (1)	1	2050	0	0.0460	0.0460	0	0.0000
2	FOREIGN	---	---	---	---	---	---	---
a.	Individuals (Non-residents Individuals/Foreign Individuals)	0	0	0	0.0000	0.0000	0	0.0000
b.	Bodies Corporate	0	0	0	0.0000	0.0000	0	0.0000
c.	Institutions	0	0	0	0.0000	0.0000	0	0.0000
d.	Qualified Foreign Investor	0	0	0	0.0000	0.0000	0	0.0000
e.	Any Other directors/ Relative NRI	2	2993458	2992258	67.2838	67.2838	0	0.0000
		2	2993458	2992258	67.2838	67.2838	0	0.0000
	SUB TOTAL (A) (2)	2	2993458	2992258	67.2838	67.2838	0	0.0000
	TOTAL SHAREHOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A) (1) + (A) (2)	3	2995508	2992258	67.3299	67.3299	0	0.0000
B.	PUBLIC SHAREHOLDING	---	---	---	---	---	---	---
1.	INSTITUTIONS	0	0	0	0.0000	0.0000	NA	NA
a.	Mutual Funds/ UTI	0	0	0	0.0000	0.0000	NA	NA
b.	Financial Institutions/ Banks	0	0	0	0.0000	0.0000	NA	NA
c.	Central Government/ State Government(s)	0	0	0	0.0000	0.0000	NA	NA
d.	Venture Capital Funds	0	0	0	0.0000	0.0000	NA	NA
e.	Insurance Companies	0	0	0	0.0000	0.0000	NA	NA
f.	Foreign Institutional Investors	0	0	0	0.0000	0.0000	NA	NA
g.	Foreign Venture Capital Investors	0	0	0	0.0000	0.0000	NA	NA
h.	Qualified Foreign Investor	0	0	0	0.0000	0.0000	NA	NA
i.	Any Other							
	SUB-TOTAL (B) (1)	0	0	0	0.0000	0.0000	NA	NA

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NUMBER OF HOLDERS	TOTAL NO. OF SHARES	SHARES IN DEMAT	TOTAL SHAREHOLDING AS A PERCENTAGE OF TOTAL NUMBER OF SHARES		SHARES PLEDGED OR OTHERWISE ENCUMBERED	
					As a % of (A+B) (VI)	As a % of (A+B+C) (VII)	Number of shares (VIII)	As a percentage (IX) = (VIII) / (VI)*100
B2	NON-INSTITUTIONS	---	---	---	---	---	---	---
a.	Bodies Corporate	58	180093	180093	4.0479	4.0479	NA	NA
b.	Individuals							
I	Individual Shareholders Holding Nominal Share Capital Upto Rs 1 Lakh	1612	899234	887184	20.2120	20.2120	NA	NA
II	Individual Shareholders Holding Nominal Share Capital in Excess of Rs. 1 Lakh.	10	264448	264448	5.9439	5.9439	NA	NA
c.	Qualified Foreign Investor	0	0	0	0.0000	0.0000	NA	NA
d.	Any Other							
	Directors and their Relatives	1	200	200	0.0044	0.0044	NA	NA
	Hindu Undivided Families	34	16960	16960	0.3812	0.3812	NA	NA
	Non Resident Indians	5	92557	92557	2.0804	2.0804	NA	NA
		40	109717	109717	2.4661	2.4661	NA	NA
	SUB-TOTAL (B)(2)	1720	1453492	1441442	32.6700	32.6700	NA	NA
	TOTAL PUBLIC SHAREHOLDING (B)=(B) (1) + (B)(2)	1720	1453492	1441442	32.6700	32.6700	NA	NA
	TOTAL (A) + (B)	1723	4449000	4433700	100.0000	100.0000	0	0.0000
c.	SHARES HELD BY Custodians and against which Depository Receipts have been issued							
	Promoter and Promoter Group	0	0	0	0.0000	0.0000	NA	NA
	Public	0	0	0	0.0000	0.0000	NA	NA
	TOTAL CUSTODIAN (C)	0	0	0	0.0000	0.0000	NA	NA
	GRAND TOTAL (A) + (B) + (C)	1723	4449000	4433700		100.0000	0	0.0000

AUDIT REPORT TO MEMBERS

I have audited the attached Balance sheet of i Power Solutions India Limited as at 31st March 2012 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 2012 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 2012
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: 25.05.2012

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 31st March 2012 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 2012 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 31.03.2012, 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/
V.Parandhaman
Chief Executive Officer**

Date: 25.5.2012

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:

- a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b. 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/-
Chief Financial Officer**

Date: 25.05.2012

W. S. Madhavann

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

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of iPower Solutions India Ltd

I have examined the compliance of conditions of Corporate Governance by iPower Solutions India Limited, for the year ended 31st March 2012, 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. My 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 my opinion and to the best of our information and according to the explanations given to me, and based on the representations made by the Directors and the Management, I 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.

I 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: 25.05.2012

i POWER SOLUTIONS INDIA LIMITED
Balance Sheet as at 31 March, 2012

(In Rs.)

Particulars	Sch No.	As at 31.03.2012	As at 31.03.2011
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	44,490,000	44,490,000
(b) Reserves and surplus	2	7,299,190	7,175,432
(c) Money received against share warrants		-	-
		<u>51,789,190</u>	<u>51,665,432</u>
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings		23,154,784	23,154,784
(b) Deferred tax liabilities (net)		-	-
(c) Other long-term liabilities		9,807,221	7,347,221
(d) Long-term provisions		-	-
		<u>32,962,005</u>	<u>30,502,005</u>
4. Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	6	1,193,130	883,887
(c) Other current liabilities		-	-
(d) Short-term provisions		<u>222,217</u>	<u>12,000</u>
		<u>1,415,347</u>	<u>895,887</u>
TOTAL		<u>86,166,542</u>	<u>83,063,324</u>
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	3	3,166,225	3,727,968
(ii) Intangible assets		8,680,000	8,680,000
(iii) Capital work-in-progress		67,831,565	66,986,671
(iv) Intangible assets under development		-	-
(v) Fixed assets held for sale		-	-
		<u>79,677,790</u>	<u>79,394,639</u>
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	5	454,545	450,000
(e) Other non-current assets		-	-
		<u>80,132,335</u>	<u>79,844,639</u>
2 Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	4	5,782,172	2,486,952
(d) Cash and cash equivalents		252,035	731,733
(e) Short-term loans and advances		-	-
(f) Other current assets		-	-
		<u>6,034,207</u>	<u>3,218,685</u>
TOTAL		<u>86,166,542</u>	<u>83,063,324</u>

Date: 25.05.2012
Place: Chennai.

Vide my report of even date annexed
Sd/-
W S Madhavann

For and on behalf of the Board of Directors
Sd/-
V. Parandhaman **K. Bhaskaran**

I POWER SOLUTIONS INDIA LIMITED
Statement of Profit and Loss for the year ended 31 March, 2012

Particulars	Note No.	Year ended 31 March, 2012	Year ended 31 March, 2011
A CONTINUING OPERATIONS			
1. Revenue from operations (gross)		6,185,814	4,198,470
Less: Excise duty		-	-
Revenue from operations (net)		6,185,814	4,198,470
2 Other income	-	-	-
3 Total revenue (1+2)		6,185,814	4,198,470
4 Expenses			
(b) Purchases of stock-in-trade		-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		-	-
(d) Employee benefits expense		71,634	73,422
(e) Finance costs		135,242	220,276
(f) Depreciation and amortisation expense		558,097	657,231
(g) Other expenses	7	5,297,083	3,146,682
Total expenses		6,062,056	4,097,611
5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		123,758	100,859
6 Exceptional items		-	-
7 Profit / (Loss) before extraordinary items and tax (5 + 6)		123,758	100,859
8 Extraordinary items		-	-
9 Profit / (Loss) before tax (7 + 8)		123,758	100,859
10 Tax expense:			
(a) Current tax expense for current year		-	-
(b) (Less): MAT credit (where applicable)		-	-
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense		-	-
(e) Deferred tax		-	-
		-	-
11 Profit / (Loss) from continuing operations (9 +10)		1,23,758	100,859
B DISCONTINUING OPERATIONS			
12.i Profit / (Loss) from discontinuing operations (before tax)		-	-

I POWER SOLUTIONS INDIA LIMITED
Statement of Profit and Loss for the year ended 31 March, 2012

Particulars	Note No.	Year ended 31 March, 2012	Year ended 31 March, 2011
12.ii Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		-	-
12.iii Add / (Less): Tax expense of discontinuing operations			
(a) on ordinary activities attributable to the discontinuing operations		-	-
(b) on gain / (loss) on disposal of assets / settlement of liabilities		-	-
		-	-
13 Profit / (Loss) from discontinuing operations (12.i + 12.ii + 12.iii)		-	-
C TOTAL OPERATIONS			
14 Profit / (Loss) for the year (11 + 13)		123,758	100,859
15.i Earnings per share (of Rs. 10/- each):			
(a) Basic			
(i) Continuing operations		0.003	0.002
(ii) Total operations		-	-
(b) Diluted			
(i) Continuing operations		-	-
(ii) Total operations		-	-
15.ii Earnings per share (excluding extraordinary items):			
(a) Basic			
(i) Continuing operations		-	-
(ii) Total operations		-	-
(b) Diluted			
(i) Continuing operations		-	-
(ii) Total operations		-	-

Vide my report of even date annexed
Sd/-
W S Madhavann
Chartered Accountant

For and on behalf of the Board of Directors
Sd/-
V.Parandhaman **K.Bhaskaran**
Director Director

Date : 25.05.2012
Place : Chennai

Schedule to Balance sheet	Sch No.	In Rs. As at 31.03.2012	In Rs. As at 31.03.2011
Share Capital :	1		
Authorised :			
50,00,000 equity shares of Rs.10/- each		<u>50,000,000</u>	<u>50,000,000</u>
Issued,subscribed and paid up :			
44,49,000 equity shares of Rs.10/- each (Previous year : 44,49,000 equity shares of Rs.10/- each)		<u>44,490,000</u>	<u>44,490,000</u>
Reserves and Surplus :	2		
General reserve:			
Balance available in surplus account		7,175,432	7,074,573
Add: Current year profits		123,758	100,859
Balance in General reserve		<u>7,299,190</u>	<u>7,175,432</u>
Fixed assets :	3		
Gross block		3,724,322	4,385,199
Less: Depreciation		558,097	657,231
Net Block		<u>3,166,225</u>	<u>3,727,968</u>
Current assets :	4		
Trade receivables (More than six months)		-	-
Trade receivables (Less than six months)		5,782,172	2,486,952
Cash & Cheques on hand		11,171	10,836
Balance with Banks		240,864	720,897
		<u>6,034,207</u>	<u>3,218,685</u>
Unsecured considered good :(Loans & advances)			
Advances recoverable in cash or in kind or for value to be received	5	454,545	450,000
Current liabilities :	6		
Trade Payables		1,193,130	883,887
Other payables & Provisions		222,217	12,000
		<u>1,415,347</u>	<u>895,887</u>

Schedule to Profit and Loss Account	Sch No.	In Rs. As at 31.03.2012	In Rs. As at 31.03.2011
Administrative & Other expenses	7		
Advertisement expenses		66,534	22,951
Audit fees- statutory and Tax audit		30,000	37,500
Membership fees & Certification fees		20,750	28,600
Subscription to Books and periodicals		715	9,119
Payment of Gratuity		12,462	100,385
Internal Audit fee		8,000	
Listing Fees		16,645	11,030
AGM expenses and share transfer exps		21,355	76,345
Electricity expenses		56,602	84,041
Licence fees and taxes & Service tax		52,377	44,393
Insurance charges		-	4,585
Internet charges		132,110	120,285
Directors Sitting Fees		64,000	13,000
Postage and telegram & courier		6,613	4,800
printing and stationery		14,357	53,439
Rent and amenities		436,000	599,000
Income Tax paid		22,010	16,010
Repairs and maintenance other than Vehicle		194,763	116,231
Salaries		1,105,751	1,239,571
Service charges		-	41,088
Telephone expenses		100,287	115,031
Travelling and conveyance		11,036	13,113
Development and outsourcing expenses		2,681,883	143,380
Server charges and BPO charges		64,104	21,461
Consultancy Charges		178,729	231,324
Total		5,297,083	3,146,682

i POWER SOLUTIONS INDIA LIMITED

Depreciation workings (As per Books) for the year 2011-2012

Description of an Asset	WDV as on 1/4/2011	Addition/ (Deletion)	Balance before Depn	Rate of Depn	Depn for the year	WDV as on 31/3/2012
Computers	2,031,265	-	2,031,265	15	304,690	1,726,560
Furnitures & Fixtures	924,942	-	924,942	10	138,741	786,191
Office Equipment	625,920	-	625,920	10	93,339	532,631
Electrical Equipment	142,180	-	142,180	10	21,327	120,843
Total	3,724,307	-	3,724,307		558,097	3,166,225

I POWER SOLUTIONS INDIA LIMITED
Cash Flow Statement for the year ended 31 March, 2012

Particulars	Year ended 31 March, 2012	Year ended 31 March, 2011
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	123,758	100,859
Adjustments for:		
Depreciation and amortisation	558,097	657,231
Provision for impairment of fixed assets and intangibles	-	-
Amortisation of share issue expenses and discount on shares	-	-
(Profit) / loss on sale / write off of assets	-	-
Expense on employee stock option scheme	-	-
Finance costs	-	-
Interest income	-	-
Dividend income	-	-
Net (gain) / loss on sale of investments	-	-
Rental income from investment properties	-	-
Rental income from operating leases	-	-
Share of profit from partnership firms	-	-
Share of profit from AOPs	-	-
Share of profit from LLPs	-	-
Liabilities / provisions no longer required written back	-	-
Adjustments to the carrying amount of investments	-	-
Provision for losses of subsidiary companies	-	-
Provision for doubtful trade and other receivables, loans and advances	-	-
Provision for estimated loss on derivatives	-	-
Provision for warranty-	-	-
Provision for estimated losses on onerous contracts	-	-
Provision for contingencies	-	-
Other non-cash charges (specify)	-	-
Net unrealised exchange (gain) / loss	-	-
Operating profit / (loss) before working capital changes	681,855	758,090
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	-	-
Trade receivables	-3,295,220	1,032,805
Short-term loans and advances	-	-
Long-term loans and advances	-	-
Other current assets	-	-
Other non-current assets	-844,894	-4,038,431
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	-	-
Other current liabilities	309,243	715,250
Other long-term liabilities	-	-
Short-term provisions	210,154	259,595
Long-term provisions	-	-
Cash flow from extraordinary items	-	-
Cash generated from operations	-2,938,862	-1,272,691
Net income tax (paid) / refunds	-	-
Net cash flow from / (used in) operating activities (A)	-2,938,862	-1,272,691

Cash Flow Statement for the year ended 31 March, 2012 (contd....)

Particulars	Year ended 31 March, 2012	Year ended 31 March, 2011
C. Cash flow from financing activities		
Proceeds from issue of equity shares	-	-
Proceeds from issue of preference shares	-	-
Redemption / buy back of preference / equity shares	-	-
Proceeds from issue of share warrants	-	-
Share application money received / (refunded)	-	-
Proceeds from long-term borrowings	2,460,000	1,820,990
Repayment of long-term borrowings	-	-
Net increase / (decrease) in working capital borrowings	-2,938,862	-1,272,691
Proceeds from other short-term borrowings	-	-
Repayment of other short-term borrowings	-	-
Finance cost	-	-
Dividends paid	-	-
Tax on dividend	-	-
Cash flow from extraordinary items	-	-
Net cash flow from / (used in) financing activities (C)	-478,862	548,299
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		
Cash and cash equivalents at the beginning of the year	730,897	183,434
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year	252,035	731,733
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 19)	252,035	731,733
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details)	-	-
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 19	-	-
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer Note (ii) to Note 16 Current investments)	-	-
Cash and cash equivalents at the end of the year *		
* Comprises:		
(a) Cash on hand	11,171	10,836
(b) Cheques, drafts on hand	-	-
(c) Balances with banks:		
(i) In current accounts	240,864	720,897
(ii) In EEFC accounts	-	-
(iii) In deposit accounts with original maturity of less than 3 months	-	-
(iv) In earmarked accounts (give details) (Refer Note (ii) below)	-	-
(d) Others (specify nature)	-	-
(e) Current investments considered as part of Cash and cash equivalents (Refer Note (ii) to Note 16 Current investments)	-	-
	252,035	731,733

Notes: (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing operations
See accompanying notes forming part of the financial statements

In terms of our report attached.

Date : 25.05.2012
Place : Chennai

Sd/-
W S Madhavann
Chartered Accountant

For and on behalf of the Board of Directors
Sd/-
V.Parandhaman
Director

Sd/-
K.Bhaskaran
Director

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 2012**

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. 84,751

Total Assets: Rs. 84,751

Sources of Funds

Paid-up Capital: Rs. 44,490

Reserves & Surplus : Rs. 7,299

Secured Loans: Rs. 23,155

Unsecured Loans: Rs. 9,807

Application of Funds

Net Fixed Assets: Rs. 3,166

Investments: Nil

Net Current Assets : Rs. 5,073

Misc. Expenditure : Nil

Accumulated Losses : NIL

IV. Performance of company (Amount in Rs. Thousands)

Turnover : Rs. 6,186

Total Expenditure : Rs. 6,062

Profit / (Loss) Before Tax : Rs.124

Profit / (Loss) After Tax : Rs.124

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*

Applicable to investors holding shares in
electronic form

I hereby record my presence at the 27th 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.....ofin
district ofbeing a member(s) of the above named company hereby appoint
Mr./Ms.ofin 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 27th Annual General Meeting of the Company to be held on the 24th September
2012 at 3.00 PM and at any adjournment thereof.

Signed thisday of2012.

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.

If undelivered, please return to :

i Power Solutions India Limited

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