



Happier Living Everyday

Annual

BPL Limited

ANNUAL REPORT 2009 - 2010

Report 2009 - 2010

Corporate Information

BOARD OF DIRECTORS

Mr. Ajit G Nambiar, *Chairman & Managing Director*

Mrs. Anju Chandrasekhar

Mr. S Padmakumar

Mr. K S Prasad

Capt. S Prabhala

Mr. K Jayabharath Reddy

Mr. Suraj L Mehta

Mr. Subhash Bathe

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. R Vijayendra

AUDITORS

M/s. T Velu Pillai & Co.,
Chartered Accountants, Bangalore

BOARD COMMITTEES

Audit Committee

Mr. K Jayabharath Reddy, *Chairman*

Mr. S Padmakumar

Mr. Suraj L Mehta

Mr. Subhash Bathe

Compensation Committee

Capt. S Prabhala, *Chairman*

Mrs. Anju Chandrasekhar

Mr. K Jayabharath Reddy

Mr. Subhash Bathe

Investors' Relations Committee

Mr. K S Prasad, *Chairman*

Mrs. Anju Chandrasekhar

Mr. S Padmakumar

REGISTERED OFFICE

BPL Works, Palakkad 678007, Kerala

CORPORATE OFFICE

11th KM, Arakere, Bannerghatta Road,
Bangalore 560 076

MANUFACTURING FACILITIES

BPL Works, Palakkad 678 007, Kerala

Doddaballapur 561 203, Bangalore District

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Notice of Annual General Meeting

NOTICE is hereby given that the 46th Annual General Meeting of BPL Limited, will be held on **Friday, the 24th day of September, 2010** at **10.00 A.M.** at Sri Chackra International, Krishna Gardens, Chandranagar P.O., Palakkad - 678 007, Kerala, to transact the following business:

ORDINARY BUSINESS

- 1) To consider and adopt the Profit & Loss Account for the year ended 31st March, 2010 and the Balance Sheet as at that date together with the Reports of Directors and the Auditors thereon.
- 2) To appoint a Director in place of Mr. K Jayabharath Reddy, who retires by rotation, and being eligible, offers himself for re-election.
- 3) To appoint a Director in place of Mr. Suraj L Mehta, who retires by rotation, and being eligible, offers himself for re-election.
- 4) To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

- 5) To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION** :

RESOLVED THAT in accordance with the applicable provisions of the Articles of Association of the Company, the Companies Act, 1956 ("the Act") and the SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (SEBI Guidelines), approval of the Company be and is hereby accorded to the Board of Directors of the Company, (hereinafter referred to as the Board which term shall include the Compensation Committee of the Board) to modify/amend the provisions of the Company's Stock Options Scheme for the employees viz., "BPL Limited- ESOS-2009 " relating to the Clauses of Vesting Schedule & Condition and Exercise Period as detailed below:

- i) The existing Clause 6.1 of the 'BPL Limited ESOS-2009' be replaced as under:

6.1 The options granted shall vest after 12 months from the date of grant or as may be decided by the

Compensation Committee, from time to time, subject to the applicable SEBI Guidelines.

- ii) The existing Clause 7 b) of the 'BPL Limited ESOS-2009' be replaced as under:

7b) The Employee Stock Options granted shall be capable of being exercised within a period of 12 months from the date of vesting of options or such period as may be decided by the Compensation Committee and subject to the terms and conditions of exercising, as may be stipulated by the Compensation Committee, from time to time.

- iii) The existing Clause 7 d) of the 'BPL Limited ESOS-2009' be replaced as under:

7d) In the event of the death of an Employee while in employment with the Company, all the Vested Options and Unvested Options may be Exercised by the Option Grantee's nominee immediately after, but in no event later than 12 months from the date of death.

- iv) The existing Clause 7 e) of the 'BPL Limited ESOS-2009' be replaced as under:

7e) In the event of separation of an Employee from the Company due to reasons of Permanent Incapacity, the Option Grantee may Exercise his or her Vested as well as Unvested Options immediately after Permanent Incapacity but in no event later than 12 months from the date of separation from employment.

By Order of the Board

Bangalore

27th July, 2010

Ajit G Nambiar

Chairman & Managing Director

Registered Office : BPL Works, Palakkad-678 007, Kerala.

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 INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES, ONCE ISSUED WILL HOLD GOOD FOR ANY ADJOURNMENT OF THIS ANNUAL GENERAL MEETING.

Annexure to Notice

2. Members / Proxies should bring the Attendance Slip sent herewith duly filled in, for attending the Meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from 14th September, 2010 to 24th September, 2010 (both days inclusive).
4. Shareholders intending to require information about accounts, to be explained at the Meeting, are requested to inform the Company at least a week in advance of their intention, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.
5. Pursuant to the clauses of the listing agreement, additional information on Directors seeking re-election at the Annual General Meeting is annexed to this Notice.
6. Shareholders are requested to address all their correspondence including on matters related to Share Transfers, Annual Report etc., to the Investors' Service Cell, at 11th KM, Arakere, Bannerghatta Road, Bangalore - 560 076.
7. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the meeting is annexed here to.

By Order of the Board

Bangalore
27th July, 2010

Ajit G Nambiar
Chairman & Managing Director

Registered Office : BPL Works, Palakkad-678 007, Kerala.

ANNEXURE TO NOTICE

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

In conformity with the provisions of Section 173(2) of the Companies Act, 1956, the following explanatory statement sets out all material facts relating to the special business mentioned in the accompanying Notice and should be taken as forming part of the Notice.

Item No. 5

BPL Limited has introduced a stock option scheme for the employees and eligible directors called "BPL Limited ESOS-2009 " (ESOS-2009), pursuant to the approval of the Members of the Company accorded at the annual

general meeting of the Company held on 30th September, 2009. ESOS -2009 was evolved with a view to provide the employees of the Company a share in the growth of the Company and to attract, retain and motivate the best available talent. The Compensation Committee has been delegated with the powers to administer the ESOS- 2009.

Compensation Committee has not granted any options under ESOS-2009 so far. It has decided that meritorious performance of the employees shall be the criteria for the grant of Options under ESOS- 2009. During the appraisal process of the employees, it was felt that some of the terms of the issue of Options need to be reconsidered to make it more flexible and advantageous by modifying/amending the clauses of the existing Vesting Schedule/Conditions, Exercise Period and other conditions.

The Vesting schedule in the present form spreads over a period of three years at the rate of 40%, 30%, and 30% respectively from the date of grant of Options. The Exercise Period is upto six months from the date of Vesting and in the case of death and separation of an employee from the Company due to reasons of permanent incapacity, the vesting period is six months.

It is proposed to amend the provisions of ESOS-2009 as set out in the proposed Resolution.

The SEBI Guidelines on ESOS provide that a company may by special resolution in a general meeting vary the terms of ESOS offered pursuant to an earlier resolution of a general body but not yet exercised by the employee provided such variation is not prejudicial to the interests of the option holders. The proposed variations are not detrimental, as the employees can get 100% of the options vested after one year instead of waiting over a period of three years and also, more time for exercising is justified since vesting is now 100% of options granted at once. A copy of the 'BPL Limited ESOS-2009' Scheme may be inspected by the shareholders during the office hours at the registered office of the Company at Palakkad.

The Directors recommend the Resolutions as set out in item No. 5 for members' approval.

Capt. S Prabhala, Mr. K Jayabharath Reddy, Mr. Suraj L Mehta, Mr. K S Prasad, Mr. S Padmakumar and Mr. Subhash Bathe, Directors, are deemed to be interested or concerned in this resolution, to the extent of stock

Annexure to Notice

options/ equity shares that may be granted to them, under the Scheme.

Mr. Ajit G Nambiar and Mrs. Anju Chandrasekhar, Directors of the Company, are not concerned or interested in the Resolution.

2. Information on Directors seeking Re-appointment at the Annual General Meeting

MR. K JAYABHARATH REDDY

Mr. K Jayabharath Reddy, 73, who holds a Masters in Economics and Masters in Statistics, is a retired IAS Officer, and has held important positions in the State and Central Governments. He was the Chief Secretary to the Government of Andhra Pradesh, Secretary to Government of India, in the Ministry of Urban Development and Secretary in the Finance Ministry. He has headed the Departments of Banking, Insurance and Administration of the Revenue Department in the Finance Ministry.

Mr. Reddy also headed the Secretariat for Industrial Approvals (SIA) in the Industry Ministry. He has been associated with State Industrial and Financial Developmental Organisations as well as financial institutions like the NABARD, IDBI, ICICI, SBI, EXIM Bank, National Housing Bank in executive as well as non-executive capacities.

Companies in which Mr. K Jayabharath Reddy, is a Director :

Lanco Kondapally Power Private Limited, JCT Electronics Limited, BPL Power Projects (AP) Private Limited, Viceroy Hotels Limited, TAJ-GVK Hotels & Resorts Limited, Indus Medicare Limited, NCL Alltek & Seccolor Limited and Facor Alloys Limited

Names of the Companies in which Mr. K Jayabharath Reddy is a Chairman / Member of Committee(s):

Name of the Company	Nature of position
<u>Audit Committee</u>	
Facor Alloys Limited	Chairman
Lanco Kondapalli Power Private Ltd	Member
JCT Electronics Limited	Member
TAJ-GVK Hotels & Resorts Limited	Member

Mr. K Jayabharath Reddy is the Chairman of the Audit Committee and Member of Compensation Committee of BPL Limited.

MR. SURAJ L MEHTA

Mr. Suraj L Mehta, 66, is a Graduate in Economics (Honours).

Mr. Mehta has held key management positions in India and abroad with ANZ Grindlays Bank till the year 1994. He was the Chief Executive Officer of Dresdner Bank AG in India & was the Geographic Head for the group's four businesses which included Investment, Banking, Securities Broking and Software Development. He has also worked as the Chief Executive Officer of NABIL Bank Limited, the leading private sector bank in Nepal. Mr. Mehta has worked in almost every field of commercial banking & has to his credit major achievements in diverse areas including credit quality, treasury management, organisation structure & business strategy.

Mr. Mehta has nearly four decades of rich and varied experience in the field of Banking in India & abroad.

Companies in which Mr. Suraj L Mehta is a Director: Bajaj Allianz Life Insurance Company Limited and Bajaj Allianz General Insurance Company Limited.

Mr. Suraj L Mehta is a member of the Audit Committee of BPL Limited.

ATTENDANCE RECORD OF DIRECTORS WHO SEEK RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Name of the Director	No. of Board Meetings held during 2009-2010	No. of Board Meetings attended	Last AGM Attendance (Yes/No)	No. of Shares held
Mr. K Jayabharath Reddy	6	6	Yes	Nil
Mr. Suraj L Mehta	6	2	Yes	Nil

By Order of the Board

Bangalore
27th July, 2010
Registered Office: BPL Works, Palakkad 678 007, Kerala.

Ajit G Nambiar
Chairman and Managing Director

Directors' Report and Management Discussion & Analysis

To the Members,

Your Directors have pleasure in presenting the Forty Sixth Annual Report on the business and operations of the Company, together with the Audited Statement of Accounts for the year ended March 31, 2010. The financial highlights on the operations of the Company are as follows:

Financial Highlights

(Rs. in Crores)

Particulars	Year ended	
	31.03.2010	31.03.2009
Net Sales and other income	118.50	77.19
Profit before Interest, Depreciation and Tax	30.77	(0.53)
Less: Interest	13.34	11.85
Depreciation	10.82	11.40
Impairment Loss on Asset	3.11	-
Provision for Diminution in value of investments	-	26.57
Provision for doubtful advances/ debts	0.36	29.00
Extra-ordinary items (net)	3.76	-
Profit / (Loss) before Tax	(0.62)	(79.36)
Deferred Tax Asset	0.95	66.07
Fringe Benefit Tax	-	(0.18)
Profit / (Loss) after Tax	0.33	(13.47)

❖ BUSINESS OVERVIEW

The operations of your Company continued to be affected due to working capital constraints and lack of bank funding for operations. The cost cutting exercises and strict funds management led your Company to register a small growth in operations of 5.6% compared to the previous year.

The total income recorded was Rs. 120.06 Crores for the year 2009-10 compared to Rs. 79.68 Crores for the previous year. The gross profit earned for the year is Rs. 30.77 Crores. After providing Rs. 10.82 Crores, Rs. 13.34 Crores and Rs. 3.10 Crores towards depreciation, finance charges and for impairment of assets respectively, the Company has earned a profit (before provisions & taxation) of Rs. 3.51 Crores for the year 2009-10.

Your Directors regret their inability to recommend any dividend due to insufficient profits, during the year under review.

❖ HEALTH MANAGEMENT SOLUTIONS (HMS)

Industry structure & developments

The healthcare industry in India, in which your Company presently operates, is projected to have a good growth potential. This sector has been registering growth continuously. The growth in the sector would be driven by its main divisions like healthcare facilities, both in the private and public sectors, medical diagnostic equipments, diagnostic centers and the medical insurance sector. The contribution of diagnostic division to the health care industry would be significant. An increasing number of public and private healthcare facilities, mainly catering to populations in the tier 2 and tier 3 towns are expected to propel demand for the industry. The health insurance is growing fast and is the second largest non-life insurance segment in the country. Also, the public health system is planned to undergo

a facelift with an increased allocation of Rs 22,300 crores in the Financial Year 2010-11 by the Government(s).

Each of the main divisions of the healthcare industry is poised for expansion and the growth in these divisions will either directly or indirectly create growth opportunities for the Company.

Despite the working capital constraints faced, the HMS Business of your Company registered a healthy growth of 36% in terms of net sales during 2009-10 compared to its previous year. It is also heartening to note that the earnings before interest and tax as a percentage (EBITA) of net sales in this business nearly doubled over the previous year.

■ Opportunities and Threats

During the year, the HMS Division entered into a Strategic Initiative with Welch Allyn, the undisputed Global leader in Frontline Diagnostic Products. This is expected to improve the revenues for the Company in the coming years as primary care becomes a focus area for both the private and public healthcare providers. During the year, the business initiated the development of two new products viz. A4 ECG and Public Access Defibrillators. These are expected to be released and marketed during the current year.

The HMS Division had embarked upon several cost reduction initiatives, primarily in the areas of procurement, logistics and manpower rationalization. However, your company also realizes that with a rapid economic growth environment, it would be required to invest into preparedness into scaling up its supply chain capacity and capability at the shortest possible time.

The pace of technology change within the product range of BPL is a key risk area represented by the threat of obsolescence. A number of alliances and partnership proposals are under

Directors' Report and Management Discussion & Analysis

consideration in order to mitigate the threat of obsolescence within the Company's products. Your Company has also initiated efforts into addressing specific health management based programmes which would contemporize our offering as packaged solutions for various customer segments.

■ Outlook

BPL Health Management Solutions will continue to build on its core strengths in the area of customer services and geographical reach besides offering to its customers, the options to build their practice brick by brick. Its product offering will be complemented by more effective diagnostic tools that would empower the point of care, primary care centers as well as the secondary care hospitals.

Your Company intends to broaden customer base by enhancing business development activities in the large corporate hospital chains, partnership with the governments in their efforts to overhaul the primary care system and service requirements in the neighboring countries such as Nepal, Srilanka, Bangladesh, Pakistan and Maldives.

The plans for new product development and R&D were severely constrained due to lack of investments in the last few years. Your Company intends to source technologies and services from organizations across the world in order to complement and keep our offering contemporary. Your Company has also strengthened its regulatory and compliance activities by inducting experienced team of professionals in this area. Apart from being able to meet the deadlines for the proposed Indian Medical Devices and Equipment Regulatory Framework introduction, your Company will also needs to prepare itself for global markets.

The HMS team has also embarked on a "future ready" master plan that would form the framework for a long term strategic plan which envisions BPL HMS's intent on gaining significant leadership in the various niche areas of the Indian and Global Healthcare Industry. The annual operating plan for 2010-11 which embeds this intent is expected to lay the foundation for a robust year on year growth.

❖ PRINTED CIRCUITS BOARD (PCB) BUSINESS

There was no growth in the PCB industry during the 2009-10. The main market for Single Sided PCB comes from consumer electronics, basic telecom equipment, low-end power conversion and the lighting industry. The Demand from CFL Lighting industry is robust, at around 25 million units per month and the same is growing. In Consumer Electronics business, CRT TVs account for major share of demand for PCBs and the trend is likely to remain this way for a few years till a large-scale shift towards LCD TVs takes place.

The net revenues of PCB business of your Company for the year under report, recorded 25% growth and the EBITA also showed a remarkable growth by 130% compared to 2008-09. Your Company supplied 2 million PCBs for TVs across India.

❖ RISKS AND CONCERN

Some of the major risks that your Company is subject to are competition and regulatory changes, and those related to exchange rate fluctuations and technological obsolescence. These kinds of risks are integral parts of every business and your Company is required to invest resources into the areas of research and development, including new product development.

Your Company is making all efforts to mitigate these risks and it endeavours to ensure that the risks associated is commensurate with the returns and enable the Company to capitalize on new opportunities.

❖ INTERNAL CONTROL AND THEIR ADEQUACY

The Company has put in place Internal Control Systems commensurate with the size and nature of Business of the Company ensuring effective checks and balances within the systems and these systems are also being reviewed and upgraded. The Company has also a system of Internal Audit which is conducted by external qualified Chartered Accountants covering large areas including inventory management, purchase, production, sub-contract activities, accounts and finance including cash/bank operations, debtors, creditors, fixed assets and inventories, besides statutory compliances.

❖ FINANCIAL PERFORMANCE AND ANALYSIS

■ Share Capital

During the year, there was no change in the share capital of the Company. The paid up Equity Share Capital of the Company as on 31st March, 2010 was Rs.48.51 Crores comprising 4,85,10,244 equity shares of Rs 10/- each, fully paid up. The paid up Preference Share Capital of the Company as on 31st March, 2010 was Rs. 169.59 Crores consisting of 1,69,58,682 Redeemable Preference Shares of Rs.100/- each.

■ Reserves & Surplus

There was no change in the Reserves of the Company, during the year 2009-10 and it stood at Rs.236.36 Crores.

■ Borrowings

Total borrowings of the Company as on 31st March, 2010 stood at Rs.275.09 Crores.

■ Capital Expenditure

The capital expenditure of the company for the financial year ended 31st March, 2010 was Rs. 2.97 Crores.

■ Depreciation and Amortization

The details of Depreciation and Amortization have been provided in the notes to accounts. No significant changes were made in the depreciation policies.

■ Corporate Tax

Since the company has not generated any taxable income for the period, no provision for taxes has been made in the books.

❖ HR PRACTICES AND MAJOR INITIATIVES

The year saw offices located in different locations come together as one team (OneBPL) under one roof working with seamless communication, open space culture and transparent interactions. All support functions were consolidated through CARE (Centralized Administrative and Resource Enhancement) system and emphasis was placed on employee engagement and communication activities. This year was also the year wherein employee stock option scheme was formally announced.

■ EMPLOYEES STOCK OPTION SCHEME

The Company had adopted an Employee Stock Option Scheme entitled "BPL Limited-ESOS-2009" (ESOS-2009) which was approved by the shareholders at the Annual General Meeting of the Company held on 30th September,2009. The ESOS-2009 is

Directors' Report and Management Discussion & Analysis

framed in terms of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The Compensation Committee, so far, has not granted Options under the Scheme, but has plans to grant Options during this fiscal.

■ SAFETY, HEALTH AND ENVIRONMENT

Your Company continues to lay stress on safety and healthy working environment at all its units. Activities like stress management through meditation and yoga were undertaken for all levels of employees.

BPL Limited (BPL) had 405 employees as on March 31, 2010.

❖ DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the accounts for the year ended 31st March, 2010, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the company for the year under review;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities and
- iv) the Directors had prepared the accounts for the year ended 31st March, 2010, on a 'going concern' basis.

❖ PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public.

❖ SUBSIDIARY COMPANIES

Bharat Energy Ventures Limited, BPL Securities Private Limited and BPL Display Devices Limited are the subsidiaries of the Company.

The audited accounts and other particulars pursuant to Section 212(1) of the Companies Act, 1956, relating to Bharat Energy Ventures Limited and BPL Securities Private Limited are appended to this Report.

BPL Display Devices Limited had been ordered to be wound up under the orders of the Honorable High Court of Allahabad, on 17th October, 2008. Hence, the accounts of the said Company do not form part of this report.

❖ PARTICULARS OF EMPLOYEES

Information required to be furnished in terms of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, has been provided by way of an Annexure to this Report.

❖ CONSERVATION OF ENERGY

Though not a large scale user of energy, your Company continues to explore several measures to conserve scarce resources and protect the environment. These efforts have collectively resulted in securing the ISO 14000 EMS (Energy Management Systems) Certification. They include Water

Recycling, Waste Recycling, Solder Fumes Control and Power Factor Improvement.

❖ TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

BPL has continuously invested into efforts for developing technologies and products for affordable healthcare. A number of products that were "telemedicine" enabled were introduced during the year and have been actively introduced into the market. BPL also partnered with the local governments and NGOs in developing products that addressed specific local needs.

The Company has completed a project for a Biphasic and public access defibrillator under technology licence from Corscience GmbH. The Biphasic has been introduced into the market in this year and the Public Access Defibrillator would be launched during second half of the current financial year.

❖ RESEARCH AND DEVELOPMENT (R & D)

■ Specific Areas in which Research & Development is carried out by the Company and Benefits Derived from R & D

The HMS Division focuses on frontline care. And in the primary care area, it has developed a range of diagnostic medical equipment that empowers the healthcare personnel in the frontline. These products incorporate the state of the art technologies and also are built to perform under the rigorous conditions of rural India. India's first Biphasic Defibrillator was launched in this year and a family of cardiac resuscitation devices, including a public access defibrillator, is planned for release in the early part of next year.

■ Future Plans of Action

In line with the R&D road map and to put the HMS Division on a fast track, BPL Healthcare has entered into agreements with a number of global technology companies in order to bring appropriate technologies and to maintain and improve its products range. These products will drive the cost of healthcare down by promoting early stage diagnosis.

Your Company has entered into a licensing agreement with Corscience in Germany for using the Defibrillator technology.

■ Expenditure on R&D for the year ended 31st March, 2010

Particulars	(Rs. in lacs)
Capital Expenditure	23.22
Revenue Expenditure	297.30
Total	320.52
Total R & D Expenditure as a % of turnover	2.70

❖ EXPORT INCENTIVES AND PLANS

The Company has plans to expand its operations to SAARC country areas and avail appropriate export incentives.

❖ FOREIGN EXCHANGE EARNINGS AND OUTGO

During the period under review, your Company utilized foreign exchange worth Rs.44.19 Crores. Foreign exchange earnings was Rs. 2.87 lakhs.

❖ DIRECTORS

Mr. K Jayabharath Reddy and Mr. Suraj L Mehta, Directors, retire by rotation, at the ensuing Annual General Meeting and are eligible for re-appointment.

Annexure to Directors' Report

❖ AUDITORS

M/s T Velu Pillai & Co., Chartered Accountants, Bangalore, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

❖ MANAGEMENT DISCUSSION & ANALYSIS

Your Directors have covered the Management Discussion & Analysis as required under the Corporate Governance requirements, as a part of the Directors' Report in appropriate places, to avoid duplication and overlapping of the contents of the said two reports.

❖ ACKNOWLEDGEMENT

The Board wishes to record its appreciation of the continued support and hard work of the employee at all levels. The Board also acknowledges continued co-operation received from Dealers, Suppliers, Customers, Banks, Government Departments, Financial Institutions and Shareholders.

For and on behalf of the Board of Directors

Bangalore
27th July, 2010

Ajit G Nambiar
Chairman & Managing Director

❖ ADDENDUM TO DIRECTORS' REPORT

1. Point No. 9 (a) of Annexure to the Auditors' Report

There have been instances of delays in remittance of undisputed statutory dues including Income Tax Deducted at Source, Provident Fund, Employees' State Insurance, Sales Tax Service Tax, Customs Duty Excise Duty and other statutory dues. Some of the Statutory dues have been outstanding for more than six months from the date on which they became payable.

The Company has since remitted dues mentioned above and there are no dues as on 31st March, 2010.

2. Point No. 9 (b) of Annexure to the Auditors' Report

Undisputed amounts payable in respect of customs duty amounting to Rs. 499.70 Lakhs, was outstanding as at 31st March, 2010, for a period of more than six months from the dates on which they became payable.

Arrangements are being made to settle the dues.

For and on behalf of the Board of Directors

Bangalore
27th July, 2010

Ajit G Nambiar
Chairman & Managing Director

Annexure to Directors' Report

Information as per Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 and forming part of Directors' Report for the year ended 31st March, 2010.

Sl. No.	Name	Designation	Qualification	Gross Remuneration (Rs.)	Age (in yrs)	Experience (in yrs)	Date of Commencement of Employment	Previous Employment / Position held
1.	Mr. Ajit G Nambiar	Chairman & Managing Director	BS in Computer Engg. Technology, Boston University, USA	65,13,600/-	47	25	02.12.1993	Managing Director Electronic Research Pvt. Ltd.
2.	Mr. A Vijaya Simha	Chief Operating Officer	M.Sc (Tech), MMS, PGD	32,16,276/-	54	29	15.05.2006	CEO-Europe and America Unisantis, S.A, Switzerland
3.	Mr. M V Ramdas*	Sr. VP-Projects	BE(Mech), MBA	23,63,280/-	51	26	01.04.2006	VP & CFO - BPL Power Projects (AP) Pvt. Ltd.
4.	Mr. S Varadarajan	GM-Corporate Accounts	B.Sc., FCA, DISA	25,38,769/-	58	33	07.11.1984	Manager - Accts & Admin. Malabar Spinning & Weaving Mills Ltd.
5.	Mr. A M Saleem*	Director - Corporate Planning	B.Com., CA (Inter)	20,42,347/-	59	34	01.08.2007	Wholetime Director BPL Display Devices Ltd.

* Employed for a part of the year.

Notes : 1. All appointments are contractual. Other terms and conditions are as per Company's Rules.

2. Gross Remuneration includes Salary, Bonus, Medical Expenses, Company's Contribution to Provident and Superannuation Funds and monetary value of perquisites as per Income Tax Rules.

3. None of the employees is related to any Director of the Company, except Mr. Ajit G Nambiar, Chairman & Managing Director, who is related to Mrs. Anju Chandrasekhar, Director.

For and on behalf of the Board

Bangalore
27th July, 2010

Ajit G Nambiar
Chairman & Managing Director

Auditors' Report on Corporate Governance

To the Members of BPL Limited,

We have examined the compliance of conditions of Corporate Governance by BPL Limited, for the year ended on 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 was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Investors' Relation Committee.

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

For T Velupillai & Co.
Chartered Accountants

Bangalore
27th May, 2010

M S Ram (26687)
Partner

Report on Corporate Governance

1. Company's philosophy on Code of Governance

The Company has always been committed to the system of good corporate governance. The Company acknowledges that there are three key aspects of Corporate Governance viz., accountability, transparency and equality of treatment for all stakeholders and has identified the roles and responsibilities and also the rights of the three constituents of Corporate Governance viz., the Shareholders, the Board of Directors and the Management which would enhance shareholder value.

Adequate financial reporting and disclosures are the corner stones of good corporate governance. The Company has been disclosing detailed information on different issues concerning the Company's performance from time to time.

2. Board of Directors

a) Composition, Category of Directors, Attendance at Meetings, Other Directorships & Chairmanship and Memberships of Board Committees

The Company has an Executive Chairman. Mr. Ajit G Nambiar is the Chairman and Managing Director and Independent Directors are more than half of the total strength of the Board. The Company has complied with the requirements of Clause 49 of the Listing Agreement on the composition of the Board.

Name of the Director	Category	Attendance			Other Directorships/ Committee Memberships*		
		No. of Board Meetings during Directorship	No. of Board Meetings attended	Last AGM attendance Yes/No	Directorship in other Companies	Committee Member	Committee Chairman
Mr. Ajit G Nambiar	Promoter - Executive	6	6	Yes	19	-	-
Mrs. Anju Chandrasekhar	Promoter - Non-executive	6	6	No	11	1	-
Mr. S Padmakumar	Independent - Non-executive	6	3	No	7	6	4
Mr. K S Prasad	Independent - Non-executive	6	6	No	-	-	1
Capt. S Prabhala	Independent - Non-executive	6	6	No	5	-	2
Mr. K Jayabharath Reddy	Independent - Non-executive	6	6	Yes	8	3	2
Mr. Suraj L Mehta	Independent - Non-executive	6	2	Yes	2	1	-
Mr. Subhash Bathe	Independent - Non-executive	6	5	Yes	2	1	-

Mrs. Anju Chandrasekhar, Director, is related to Mr. Ajit G Nambiar, Chairman and Managing Director of the Company.

*Membership/Chairmanship in Audit and Investors' Relations Committees are considered.

b) Number of Board Meetings held, dates on which held :

Six Board Meetings were held during the period. The meetings were held on the following dates: 15th May 2009, 29th July 2009, 25th August 2009, 30th October 2009, 28th January 2010 and 26th March, 2010.

Report on Corporate Governance

Audit Committee

In terms of the Listing Agreements executed by the Company with Stock Exchanges and pursuant to Section 292A of the Companies Act, 1956, the Company has constituted Audit Committee which also complies with the requirements of Clause 49 of the Listing Agreement on the composition of the Audit Committee.

a) Terms of reference

1. Oversight of the Company's financial reporting process.
2. Recommending the appointment and removal of external auditor, fixation of audit fee and approval for payment for other services.
3. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on :
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with Stock Exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large.
4. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
5. Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
6. Discussion with internal auditors on any significant findings and follow up thereon.
7. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
8. Discussion with external auditors, before the audit commences, on the nature and scope of the audit as well as post-audit discussions to ascertain any area of concern.
9. Reviewing the Company's financial and risk management policies.
10. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
11. Investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice, secure attendance of outsiders with relevant expertise, if it considers necessary, invite such executives of the Company, as it may consider appropriate and have full access to information contained in the records of the Company.

b) Composition, name of members, chairperson and attendance at meetings

The Company constituted its Audit Committee of Directors during the year 1997-98.

Composition of the committee as on 31st March, 2010

Name	Meetings	
	During the tenure	Attended
Mr. K Jayabharath Reddy <i>Chairman</i>	4	4
Mr. S Padmakumar	4	3
Mr. Suraj L Mehta	4	2
Mr. Subhash Bathe	4	4

c) Number of Committee Meetings held, dates on which held

Four Meetings of the Committee were held during the period. The meetings were held on the following dates: 15th May 2009, 29th July 2009, 30th October 2009 and 28th January 2010.

4. Remuneration/Compensation Committee

The Company has plans to implement the Employees Stock Option Scheme (ESOS) for which approval of the shareholders has already been obtained at the 45th Annual General Meeting of the Company held on 30th September, 2009.

The Remuneration Committee was renamed on 25th August, 2009, as Compensation Committee to enable it to function also as Compensation Committee as required by SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and to administer, supervise and monitor the Employees Stock Option Scheme of the Company.

a) Terms of Reference

To assist the Board of Directors to determine the remuneration packages for Executive Directors including pension rights and payment of compensation and to function as Compensation Committee in terms of the SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

b) Composition, names of members and chairperson

Mr. Padmakumar was the Chairman and Mr. Jayabharath Reddy and Mr. Suraj L Mehta were the members of the Remuneration Committee till its reconstitution on 25th August, 2009.

The composition of the Committee after its reconstitution on 25th August, 2009 and the attendance at the Meetings of the Compensation Committee is as follows:

Name	Meetings	
	During the tenure	Attended
Capt. S Prabhala, <i>Chairman</i>	2	2
Mrs. Anju Chandrasekhar	2	2
Mr. K Jayabharath Reddy	2	2
Mr. Subhash Bathe	2	2*

*Participated through teleconference in 25th August, 2009 Meeting.

The Compensation Committee held its Meetings on 25th August, 2009 and 30th October, 2009.

Corporate Governance

c) Remuneration Policy

The Company has a credible and transparent policy for determining and accounting for the remuneration of the Directors & other employees.

d) Details of remuneration to all the directors for the financial year 2009 - 10

(Amount in Rs.)

Name	Designation	Salary (p.a)	Perquisites (p.a)	Contribution on to PF, Super-annuation and Gratuity Funds	Others Accident and Mediclaim Insurance cover	Total	Service Contracts	Notice period	Severance Fee	Stock Options held	No. of Shares
Mr. Ajit G Nambiar	Chairman & Managing Director	36,80,000	18,40,000	9,93,600	Yes	65,13,600	As per Company's Rule	As per Company's Rule	Not specified	Nil	80,000
Mrs. Anju Chandrasekhar	-	-	-	-	-	-	-	-	-	-	74,600
Mr. S Padmakumar	-	-	-	-	-	-	-	-	-	-	-
Mr. K S Prasad	-	-	-	-	-	-	-	-	-	-	3,29,400
Capt. S Prabhala	-	-	-	-	-	-	-	-	-	-	2,000
Mr. K Jayabharath Reddy	-	-	-	-	-	-	-	-	-	-	-
Mr. Suraj L Mehta	-	-	-	-	-	-	-	-	-	-	-
Mr. Subhash M Bathe	-	-	-	-	-	-	-	-	-	-	-

The Company has not paid any remuneration to the non-executive directors other than sitting fees of Rs. 5000/- per Board/Committee Meeting attendance.

The Remuneration paid to Mr. Ajit G Nambiar is within the limits approved by Central Government vide its letter bearing No. A40400111-CL-VII dated 24th April, 2009.

5. Investors' Relation Committee

The Committee held its Meetings on 29th July, 2009 and on 28th January, 2010

a) Terms of Reference

- Approval of requests received for Transfer / Transmission / Transposition of shares in the physical form
- Deletions of names
- Approval of requests received for issue of Duplicate Share Certificates
- Rejection of requests for share transfers, wherever applicable
- Review of share transfers and time taken, issues relating to Refund Account, Unpaid dividend etc.,
- Establishment of Bank Accounts for dividend distribution
- Grant of authority to Company Secretary / Others to approve valid transfer documents in physical form
- Redressal of complaints received from Shareholders / Investors on non-receipt of shares after transfer in the physical form, Complaints on non-receipt of Balance Sheets, dividend, etc.,

- Approval of requests received for rematerialisation of shares

b) The Members of the Investors' Relation Committee are:

- i) Mr. K S Prasad, *Chairman* (Independent & Non-Executive)
- ii) Mr. S Padmakumar (Independent & Non-Executive) and
- iii) Mrs. Anju Chandrasekhar (Non-Executive)

c) Name and designation of Compliance Officer

Mr.V Ravi was the Company Secretary and Compliance Officer up to 15th February, 2010 and from 16th February, 2010, Mr. S. Hariharan, Head-Legal & Taxation was the Compliance Officer.

d) Number of Shareholder complaints received, not solved to the satisfaction of shareholders and number of pending share transfers

Shareholder complaints are given top priority by the Company and are replied promptly by the Investors' Service Cell and also by the Registrars and Share Transfer Agents of the Company. It is the policy of the Company that Investor Complaints are attended to within 48 hours of receipt. Barring certain cases pending in Courts/ Consumer Forums, relating to disputes over the title to shares, in which the Company has been made a party, the Company has attended to most of the investor grievances/ correspondences.

Corporate Governance

A statement of the various complaints received and cleared by the Company during the year 2009-2010 is given below :

Nature of Complaint	2009 - 10		
	Received	Cleared	Pending
Non-receipt of share certificates duly transferred	2	2	-
Requests for endorsement of Share Certificates	-	-	-
Non-receipt of Dividend Warrant	4	4	-
Non-receipt of dividend warrant sent for re-validation	-	-	-
Requests for fully paid stickers	-	-	-
Letters from SEBI	1	1	-
Letters from Stock Exchanges	-	-	-
Letters from Ministry of Corporate Affairs	-	-	-
Non-receipt of Annual Reports	5	5	-
Total	12	12	-

6. General Body Meetings

a) Location, time and Special Resolution for the last three AGMs

	2006-07	2007-08	2008-09
Date, Venue and Time	28th September, 2007 Sri Chackra International Krishna Gardens Chandranagar P.O, Palakkad – 678 007, Kerala 10:00 A M	28th September, 2008 Sri Chackra International Krishna Gardens Chandranagar P.O, Palakkad – 678 007, Kerala 10:00 A M	30th September, 2009 Sri Chackra International Krishna Gardens Chandranagar P.O, Palakkad – 678 007, Kerala 10:00 A M
Special Resolution(s) Passed	Nil	1) Re-appointment of Mr. Ajit G Nambiar as the Chairman and Managing Director for a period of five years w.e.f 1st April, 2008.	1) Alteration of Articles of Association to reclassify the Authorised Capital of the Company by reducing the authorised Preference Share Capital by Rs. 5 Crores and increasing the Authorised Equity Share Capital by the same amount. 2) Alteration of Articles of Association by insertion of a new Article 4A enabling issue of Equity Shares of the Company under Employees Stock Option Scheme or in any other forms as may be drawn up by the Board. 3) Consent of the Company to the Board of Directors to allot upto 20,00,000 Equity Shares of the Company to the employees and prescribed categories of Directors under Employees Stock Option Scheme. 4) Consent of the Company to the Board of Directors to allot Equity Shares of the Company to the employees and prescribed categories of Directors of the Subsidiaries of the Company under Employees Stock Option Scheme.

b) Special resolutions put through postal ballot last year, details of voting pattern, person who conducted the postal ballot exercise, proposed to be conducted through postal ballot and procedures for postal ballot: Nil

7. Disclosures

a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the company at large :

There were no materially significant related party transactions during the year under review that might have

had potential conflict with the interests of the company.

b) Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years - None

c) Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee

Though the Company has not adopted a Whistle Blower Policy, the employees can freely access the Audit Committee or its members.

Corporate Governance

- d) *Details of compliance with mandatory requirement and adoption of non-mandatory requirements of this clause*

The Company has duly complied with the mandatory requirements of Clause 49 and has constituted a Compensation Committee, which also functions as Remuneration Committee, which is non-mandatory under Clause 49.

8. Means of Communication

- a) *Quarterly results*

The Company has been regularly publishing Audited / Un-audited results in leading news dailies, immediately after the same is approved by the Board. The results are also posted on the Company's website.

- b) *Newspapers wherein results normally published*

The quarterly results are normally published in the all India edition of Business Standard and Palakkad edition of Mathrubhumi.

- c) *Company's Website address*

The quarterly results and other official news are posted on the Company's website at <http://www.bpl.in>

- d) *The presentations made to institutional investors or to the analysts*

No presentations were made to institutional investors or to the analysts during the year 2009-10

- e) *E-mail ID for registering complaints by investors is:* investorsservices@bpl.in

9. General Shareholder Information

Date, Time & Venue of Annual General Meeting

The Company will hold its 46th Annual General Meeting on Friday, the 24th day of September, 2010 at 10.00 A.M. at Sri Chackra International, Krishna Gardens, Chandranagar P.O., Palakkad - 678 007, Kerala.

Financial year

The Company's financial year starts on 1st April and closes on 31st March

Date of Book Closure

Register of Members / Register of Share Transfer books will remain closed from 14th September, 2010 to 24th September, 2010 (both days inclusive).

Dividend Payment Date

The Board of Directors have not recommended dividend on the equity shares for the financial year ended 31st March, 2010.

Listing on Stock Exchanges

The Company's equity shares are listed in the following stock exchanges and the Company has paid the appropriate listing fees for the financial year 2009-10:

- 1) Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
- 2) National Stock Exchange of India Limited, "Exchange Plaza", 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051

Stock Code

Bombay Stock Exchange : 500074

National Stock Exchange : BPL

Market Price Data (high, low during each month in last financial year) and performance in comparison to BSE Sensex & NSE Nifty

Month and Year	BPL on BSE			BSE Sensex		BPL on NSE			NSE Nifty	
	High (Rs.)	Low (Rs.)	Volume (Nos.)	High	Low	High (Rs.)	Low (Rs.)	Volume (Nos.)	High	Low
2009										
April	23.80	16.00	1363673	11,492.10	9,546.29	23.70	16.00	1464811	2727.75	2265.90
May	33.95	19.00	3979227	14,930.54	11,621.30	33.95	19.00	3368991	3612.30	2707.45
June	35.00	23.05	2880674	15,600.30	14,016.95	35.30	23.25	2715398	3766.90	3342.65
July	37.95	28.90	2546936	15,732.81	13,219.99	38.45	29.90	2623893	3799.65	3166.15
August	34.00	29.20	748661	16,002.46	14,684.45	34.00	29.00	706476	3871.25	3567.90
September	43.65	32.90	2966272	17,142.52	15,356.72	43.95	32.80	3051680	4119.90	3774.75
October	38.20	28.15	723179	17,493.17	15,805.20	38.40	28.15	928872	4239.95	3844.40
November	46.50	25.25	10374151	17,290.48	15,330.56	46.65	25.25	13091873	4216.90	3717.65
December	42.20	35.00	1187635	17,530.94	16,577.78	42.25	34.20	1127796	4346.40	4128.00
2010										
January	38.85	32.00	879058	17,790.33	15,982.08	39.00	32.10	775285	4524.3	4047.10
February	36.25	32.00	572327	16,669.25	15,651.99	36.00	31.60	438179	4242.75	4004.95
March	42.25	32.60	3754086	17,793.01	16,438.45	42.30	32.05	4702744	4348.05	4158.65

Registrar and Transfer Agents

Karvy Computershare Private Limited, Unit:BPL Limited, Plot No.17-24, Near Image Hospital, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081, Andhra Pradesh, India, Tel No. 91-40-44655000, Fax No. 91-40-23420814, E-mail: einward.ris@karvy.com www.karvycomputershare.com, Contact Person: Mr. P N Rao / Mr. K S Reddy

Corporate Governance

Share Transfer System

The Company's shares are compulsorily traded in the demat form. The ISIN allotted to BPL Limited is: - INE110A01019. Investors are required to establish an account with a Depository Participant to hold and trade shares in the dematerialized form. The list of participants is available with Depositories.

Share transfers in the physical form are approved on a fortnightly basis by the Company and are mailed to the investors. The total number of shares transferred during the year 2009-2010 was 1350 (previous year 3800).

Distribution of Shareholding

No. of Shares held	31st March, 2009				31st March, 2010			
	No. of Shareholders	% age of Share holders	No. of Shares held	% age of Share holding	No. of Share holders	% age of Share holders	No. of Shares held	% age of Share holding
1 - 500	24286	88.22	3376562	6.96	23860	88.14	3308998	6.82
501 - 1000	1675	6.08	1396615	2.88	1631	6.03	1371103	2.83
1001 - 2000	749	2.72	1184113	2.44	724	2.67	1132553	2.33
2001 - 3000	256	0.93	671390	1.38	272	1.00	711985	1.47
3001 - 4000	112	0.41	405928	0.84	117	0.43	424878	0.88
4001 - 5000	129	0.47	613144	1.26	109	0.41	519957	1.07
5001 - 10000	163	0.59	1190888	2.45	187	0.69	1377046	2.84
Above 10000	160	0.58	39671604	81.79	170	0.63	39663724	81.76
Total	27530	100.00	48510244	100.00	27070	100.00	48510244	100.00

Shareholders' Profile

BPL Limited's shares are held by diverse entities. The break-up is as follows :

Category	Shares held	% to Total Equity
Promoters		
- Core	3,20,94,544	66.16
- Directors, Relatives & Friends	4,31,400	0.89
FII's / NRI's / OCBs	3,73,796	0.77
FI's / Banks / Mutual Funds / Insurance Companies	4,45,310	0.92
Bodies Corporate	43,06,968	8.88
Public	1,08,58,226	22.38
Total	4,85,10,244	100.00

Dematerialisation of Shares and Liquidity

The Company has arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), to facilitate holding & trading of Company's equity shares in electronic form. Nearly 97.98% of Company's shares are held in electronic form. The Company's shares are regularly traded on Bombay Stock Exchange Limited and the National Stock Exchange Limited.

Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion Date and likely impact on equity

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments and hence, there will not be any impact on equity.

Plant Locations

Details of addresses of plant locations are mentioned elsewhere in the Report.

Address for Correspondence

The Company Secretary, BPL Limited, 11th KM, Arakere, Bannerghatta Road, Bangalore 560 076.

Declaration regarding compliance with the Code of Conduct of the Company by Board Members and Senior Management Personnel

This is to confirm that the Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel, which is available at www.bpl.in

I declare that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year 2009-10.

Bangalore
27th May, 2010

Ajit G Nambiar
Chairman & Managing Director

Auditors' Report

To the Members of BPL Limited,

We have audited the attached Balance Sheet of BPL Limited as at March 31, 2010, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as follows:

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India, in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of such books;
 - c) The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the Books of account of the company;
 - d) In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of the written representations received from the Directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the notes thereto, give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
 - ii. in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For T Velupillai & Co.,
Chartered Accountants

M S Ram (26687)
Partner

Bangalore
27th May, 2010

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph 1 of our report, of even date, to the members of BPL Limited for the year ended 31st March, 2010

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As informed by management, assets at major locations have been physically verified by the management during the year and there is a regular programme verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
 - (c) During the year, the Company has not disposed of and any substantial/major part of its fixed assets.
2. (a) Physical verification at reasonable periods in respect of finished goods, stores, spare parts and raw materials are reported to have been made by the management and certified by them accordingly. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies between physical stock and book stock, which were not material, have been properly dealt with in the books of account.
3. The Company has neither granted nor taken any loans secured or unsecured to or from Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
4. In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956;
 - (a) Based on audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that needed to be entered into the register maintained under Section 301 have been so entered.
 - (b) According to the information and explanations given to us and excluding certain transactions of purchase of goods and material of special nature for which alternate quotations are not available, where each of such transactions is in excess of Rs. 5 lakhs in respect of any party, in our opinion, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
5. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regards to the purchase of inventory and fixed assets, and with regard to the sale of goods and services. During the course of our audit, we have not noticed any continuing failure to correct any major weakness in internal control systems.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules made there under, are not applicable to the company.

Annexure to Auditors' Report

7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. The Central Government has prescribed maintenance of the cost records under Section 209 (1) (d) of the Companies Act, 1956, with respect to the manufacture of Medical Equipments. We have broadly reviewed the books of account and records maintained by the company in this connection and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
9. (a) According to the records of the Company and information and explanation given to us, there have been instances of delays in remittance of undisputed statutory dues including Income Tax Deducted at Source, Provident Fund, Employees State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities during the year.
- (b) According to the information and explanations given to us, undisputed amounts payable in respect of customs duty amounting to Rs.499.70 Lakhs, was outstanding, as at 31st March 2010, for a period of more than six months from the dates on which they became payable.

(c) The following dues towards Sales Tax, Income Tax, Customs Duty, Excise Duty, Gift Tax, Cess and Service Tax have not been deposited on account of dispute/appeals:

Nature of Dues	Nature of Dispute	Amount (Rs. in Lakhs)	Forum where pending
Central Excise	Eligibility of exemption from Payment of duty on DC Defibrillator and penalty	55.42	Supreme Court
Central Excise	Recovery of CENVAT Credit due to price reduction of inputs	93.82	Tribunal
Central Excise	Demand of duty on clearance of sample Colour TVs	3.32	Commissioner - Appeals
Central Excise	Demand for duty at higher rate for clearance of CENVAT availed inputs	19.87	Commissioner - Appeals
Central Excise	Demand for duty on clearance of CTV Parts/ components/ sub-assemblies on SKD condition to OEMs.	282.05	Tribunal
Central Excise	Demand for Penalty for Non-inclusion of amortised cost in the value of Plastic Parts	34.73	Appeal/Stay filed before Commissioner (Appeals)
Customs Duty	Differential Duty on imported Cathode Ray Tube	4.72	Commissioner - Appeals (Mumbai)
Customs Duty	Entitlement to exemption for parts of Defibrillator	627.61	CESTAT/Commissioner (Appeals)
Customs Duty	Special Customs Duty on Capacitors	3.10	Commissioner - Appeals (Chennai)
Customs Duty	Duty on clearance of bonded goods	33.33	CESTAT
Sales Tax	Various disallowances and non - submission of C Forms	1987.93	At various Appellate levels ranging from DCCTs (Appeals) to Appellate Tribunals

10. The Company's accumulated losses do not exceed 50% of its net worth. The Company has not incurred a cash loss during the current financial year; a cash loss of Rs. 1256.69 lakhs was incurred during the immediately preceding financial year.
11. We are informed that as per Scheme of Restructuring sanctioned and accepted by consortium lenders, eight installments of principal have fallen due for repayment as at 31st March 2010, in respect of its term loans. The company has defaulted in repayment of principal amount of Rs.6578.62 lakhs due to the consortium lenders comprising of Pegasus Assets, Reconstruction Pvt. Ltd and Central Bank of India, and the period of default is 24 months. The Company has defaulted in payment of interest of Rs1475.48 Lakhs to the consortium lenders and the period of default is 15 months.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is neither a chit fund nor a nidhi/mutual benefit society. Hence, in our opinion, the requirements of Clause (xiii) of Companies (Auditor's Report) Order, 2003 do not apply to the company,
14. According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Hence, in our opinion the requirements of clause (xiv) of Companies (Auditor's Report) Order, 2003 do not apply to the company,
15. According to the information and explanations given to us, during the year, the Company has not given any guarantee for loans taken by others from banks and financial institutions. However, reference is invited to note 28 (d) of schedule 14 regarding a pre-existing guarantee to a party, terms and conditions where of are, in the opinion of the management not prejudicial to the interests of the company.
16. According to the records of the company, the Company has not obtained any term loans during the year. Hence, comments under Clause (xvi) of Companies (Auditor's Report) Order, 2003 are not called for.
17. The Company has not utilised funds borrowed on short term basis, if any, for long term uses, during the year under audit.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
19. The Company has not issued any debentures during the year under audit.
20. The Company has not raised any money by public issues during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For T Velupillai & Co.,
Chartered Accountants

Bangalore
27th May, 2010

M S Ram(26687)
Partner

Balance Sheet

(Amt. in Rupees)

	Schedule No.	31.03.2010	As at 31.03.2009
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	218,09,80,390	218,09,80,390
Reserves and Surplus	2	236,35,84,580	236,35,84,580
		<u>454,45,64,970</u>	<u>454,45,64,970</u>
Loan Funds			
Secured Loans	3	275,09,13,420	300,63,60,035
		<u>729,54,78,390</u>	<u>755,09,25,005</u>
APPLICATION OF FUNDS			
Fixed Assets	4	113,29,06,556	155,76,90,812
Investments	5	136,99,68,561	136,99,68,986
Deferred Tax Asset		232,30,35,162	231,35,64,496
Current Assets, Loans & Advances	6	118,52,25,766	115,47,12,476
Less: Current Liabilities & Provisions	7	88,42,73,530	101,69,20,191
Net Current Assets		<u>30,09,52,236</u>	<u>13,77,92,285</u>
Profit and Loss Account		216,86,15,875	217,19,08,426
		<u>729,54,78,390</u>	<u>755,09,25,005</u>
Notes to Accounts	14		

As per our Report of even date annexed

For **T Velu Pillai & Co.,**
Chartered Accountants

For and on behalf of the Board of Directors

M S Ram
Partner
M.No. 26687

Ajit G Nambiar
Chairman & Managing Director

Bangalore
27th May, 2010

Capt. S Prabhala
Director

Profit and Loss Account

(Amt. in Rupees)

	Schedule No.	For the year ended	
		31.03. 2010	31.03.2009
INCOME			
Gross Sales and other Income		120,06,03,337	79,68,23,042
Less : Excise Duty		1,55,55,369	2,48,91,495
Net Sales and other Income	8	<u>118,50,47,968</u>	<u>77,19,31,547</u>
EXPENDITURE			
Cost of Materials	9	56,92,58,873	42,32,04,232
Salaries, wages and other benefits	10	14,76,32,150	19,20,39,178
Manufacturing and other expenses	11	12,24,10,465	12,99,68,603
Selling expenses	12	3,80,46,818	3,20,15,568
Finance charges	13	13,34,21,554	11,85,22,924
Depreciation		10,81,70,548	11,39,89,532
Impairment Loss on Asset		3,10,43,764	-
		<u>114,99,84,172</u>	<u>100,97,40,037</u>
Profit/(Loss) before Provisions and Taxation		3,50,63,796	(23,78,08,490)
Provision for Diminution in value of Investments			(26,57,05,399)
Provision for Doubtful Advances/Debts		(36,41,746)	(29,00,51,454)
Extra-ordinary items (net)		(3,76,00,165)	-
Profit/(Loss) before Tax		(61,78,115)	(79,35,65,343)
Fringe Benefit Tax		-	(18,50,000)
Deferred Tax Asset		94,70,666	66,07,03,321
Profit/(Loss) after Tax		32,92,551	(13,47,12,022)
Balance brought forward		<u>(217,19,08,426)</u>	<u>(203,71,96,404)</u>
Balance carried over		<u>(216,86,15,875)</u>	<u>(217,19,08,426)</u>
<i>Earnings Per Share (EPS)</i>			
Equity Shares of face value of Rs.10/-each			
Basic		0.07	(3)
Number of shares used in computing EPS			
Basic		4,85,10,244	4,85,10,244
Notes to accounts	14		

As per our Report of even date annexed

For **T Velu Pillai & Co.,**
Chartered Accountants

For and on behalf of the Board of Directors

M S Ram
Partner
M.No. 26687

Ajit G Nambiar
Chairman & Managing Director

Bangalore
27th May, 2010

Capt. S Prabhala
Director

Schedules Forming Part of Accounts

(Amt. in Rupees)

31.03.2010 31.03.2009

SCHEDULE 1 : SHARE CAPITAL

Authorised

5,50,00,000 Equity Shares of Rs.10/-each (5,00,00,000 Equity Shares of Rs.10/-each)	55,00,00,000	50,00,00,000
1,70,00,000 Redeemable Preference Shares of Rs.100/- each (1,75,00,000 Redeemable Preference Shares of Rs.100/- each)	170,00,00,000	175,00,00,000

Issued, Subscribed and Paid-up

4,85,10,244 Equity Shares of Rs.10/- each	48,51,02,440	48,51,02,440
Shares Forfeited	9,750	9,750
1,69,58,682 Redeemable Non-Cumulative Preference Shares of Rs.100/- each	169,58,68,200	169,58,68,200
	<u>218,09,80,390</u>	<u>218,09,80,390</u>

SCHEDULE 2 : RESERVES & SURPLUS

Reserves

Capital Reserve	49,800	49,800
Capital Redemption Reserve	53,33,00,000	53,33,00,000
Share Premium Account	183,02,34,780	183,02,34,780
	<u>236,35,84,580</u>	<u>236,35,84,580</u>

SCHEDULE 3 : SECURED LOANS (Refer Note 11)

A. Loans from Banks	1,00,00,000	4,59,74,724
B. Loans from Financial Institutions	259,33,64,751	260,69,83,277
Interest accrued and due	14,75,48,669	35,34,02,034
	<u>275,09,13,420</u>	<u>300,63,60,035</u>

SCHEDULE 4 : FIXED ASSETS

Particulars	Gross Block at Cost			Depreciation		Net Block		
	As on 01-04-09	Additions	Deletions	As on 31-03-10	For the year	As on 31-03-10	As on 31-03-10	As on 31-03-09
Land	31,20,48,963	2,05,05,919	2,13,84,377	31,11,70,505	-	-	31,11,70,505	31,20,48,963
Building	40,90,18,841	3,71,500	2,51,99,479	38,41,90,862	1,09,54,338	16,59,24,631	21,82,66,231	24,56,25,922
Plant & Machinery	193,27,40,136	9,41,892	28,53,03,082	164,83,78,946	7,72,23,254	107,68,77,771	57,15,01,175	76,65,28,000
Computer, Equipments and Net working	8,74,44,990	37,20,864	3,11,334	9,08,54,520	62,02,554	8,06,76,157	1,01,78,363	1,27,92,187
Furniture & Fixtures	18,06,76,834	12,29,982	90,02,457	17,29,04,359	1,17,90,868	16,05,25,593	1,23,78,766	2,42,05,305
Vehicles	3,47,83,977	6,09,301	87,778	3,53,05,500	10,17,048	3,18,96,376	34,09,124	38,68,510
Research and Developmental Expenditure	13,52,84,051	23,22,652	37,85,089	13,38,21,614	9,82,486	12,78,19,222	60,02,392	55,13,234
Total	309,19,97,792	2,97,02,110	34,50,73,596	277,66,26,306	10,81,70,548	164,37,19,750	113,29,06,556	137,05,82,121
Capital Work-in-Progress							-	18,71,08,691
							113,29,06,556	155,76,90,812

SCHEDULE 5 : INVESTMENTS AT COST

Trade - Unquoted

A : In Subsidiary Companies	206,27,00,000	206,27,00,000
B : In Joint Ventures	22,69,00,000	22,69,00,000
C : Others	61,25,35,257	61,25,35,257
Trade - Quoted	24,42,27,224	24,42,27,224
Investment in Partnership Firms	3,88,04,974	3,88,05,399
	<u>318,51,67,455</u>	<u>318,51,67,880</u>

Less: Provision for diminution in Investments	181,51,98,894	181,51,98,894
	<u>136,99,68,561</u>	<u>136,99,68,986</u>

Schedules

	(Amt. in Rupees)	
	31.03.2010	31.03.2009
SCHEDULE 6 : CURRENT ASSETS, LOANS & ADVANCES		
A. Current Assets		
Inventories (as certified by management)		
Finished Goods	2,72,26,250	3,30,39,208
Work-in-Process	73,29,764	1,52,07,949
Raw Material	2,32,90,173	2,55,61,878
Stock of Spares & Tools	4,03,52,636	3,07,94,109
	<u>9,81,98,823</u>	<u>10,46,03,144</u>
Sundry Debtors [unsecured]		
Debts outstanding for more than six months		
- considered good	60,34,912	1,00,85,544
- considered doubtful	48,82,248	10,30,53,247
Less: Provision for Doubtful Debts	48,82,248	10,30,53,247
	<u>60,34,912</u>	<u>1,00,85,544</u>
Others	15,19,15,621	10,94,60,283
	<u>15,79,50,533</u>	<u>11,95,45,827</u>
Cash & Bank Balances		
Cash in hand	62,870	54,399
Balance with Scheduled Banks		
- in Current Accounts	2,40,90,725	4,68,87,191
- in Short Term Deposit Accounts	5,12,56,243	2,50,00,000
	<u>7,54,09,838</u>	<u>7,19,41,590</u>
B. Loans & Advances		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	85,36,66,572	85,86,21,915
Considered doubtful	29,00,51,454	29,00,51,454
Less: Provision for Doubtful Advances	29,00,51,454	29,00,51,454
	<u>118,52,25,766</u>	<u>115,47,12,476</u>
SCHEDULE 7 : CURRENT LIABILITIES & PROVISIONS		
A. Liabilities		
Sundry Creditors		
- dues to Micro, Small and Medium Enterprises	-	-
- others	68,12,42,629	82,32,61,609
Liability for Expenses	16,59,40,093	14,40,28,155
Trade Deposits	3,70,90,808	4,96,30,427
	<u>88,42,73,530</u>	<u>101,69,20,191</u>
SCHEDULE 8 : SALES & OTHER INCOME		
Gross Sales & Service	83,10,48,580	78,65,23,141
Less: Excise Duty	1,55,55,369	2,48,91,495
Net Sales & Service	<u>81,54,93,211</u>	<u>76,16,31,646</u>
Other Income	2,56,47,239	44,76,261
Profit on Sale of Assets	33,45,20,552	-
Interest Received (TDS - Rs.6,06,225/-)	93,86,966	58,23,640
	<u>118,50,47,968</u>	<u>77,19,31,547</u>

Schedules

(Amt. in Rupees)

	31.03.2010	31.03.2009
SCHEDULE 9 : COST OF MATERIALS		
Opening Stock		
Finished Goods	3,30,39,208	3,97,88,177
Work-in-process	1,52,07,949	1,20,48,407
	<u>4,82,47,157</u>	<u>5,18,36,584</u>
Materials Consumed		
Opening Stock	2,55,61,878	3,53,38,997
Purchases during the year	55,32,96,025	40,98,37,686
Closing Stock	(2,32,90,173)	(2,55,61,878)
	<u>55,55,67,730</u>	<u>41,96,14,805</u>
Closing Stock		
Finished Goods	(2,72,26,250)	(3,30,39,208)
Work-in-Process	(73,29,764)	(1,52,07,949)
	<u>(3,45,56,014)</u>	<u>(4,82,47,157)</u>
	<u>56,92,58,873</u>	<u>42,32,04,232</u>
SCHEDULE 10 : SALARIES, WAGES & OTHER BENEFITS		
Salaries & Wages	12,27,30,010	15,84,42,190
Contribution to PF & Other Funds	83,51,585	1,60,28,986
Employees' Welfare Expenses	1,00,36,955	95,52,002
Remuneration to Chairman & Managing Director	65,13,600	80,16,000
	<u>14,76,32,150</u>	<u>19,20,39,178</u>
SCHEDULE 11 : MANUFACTURING AND OTHER EXPENSES		
Consumables	54,45,199	49,40,378
Power & Fuel	96,53,884	96,26,382
Repairs to Machinery	11,83,526	18,86,290
Repairs to Buildings & Facilities	1,04,21,277	1,30,25,211
Rent (Net)	75,41,885	1,02,40,478
Rates & Taxes other than Income Tax	81,87,216	69,47,959
Communication Charges	94,94,011	76,01,574
Legal & Professional Charges	3,02,28,604	3,40,86,882
Travel & Conveyance	3,09,98,848	3,15,11,390
Other Expenses	92,55,590	84,05,545
Share of Loss from a Partnership Firm	425	425
Loss on Sale of Assets	-	16,96,089
	<u>12,24,10,465</u>	<u>12,99,68,603</u>
SCHEDULE 12 : SELLING EXPENSES		
Freight & Insurance	1,79,74,297	1,52,32,089
Advertisement & Publicity	50,70,245	57,42,706
Other Selling Expenses	1,50,02,276	1,10,40,773
Bad debts written off	10,18,12,745	-
Less : Provision for doubtful debts no longer required	<u>10,18,12,745</u>	<u>-</u>
	<u>3,80,46,818</u>	<u>3,20,15,568</u>
SCHEDULE 13 : FINANCE CHARGES		
Interest		
- On Term Loans	11,11,12,793	11,29,97,525
- To Banks and others	2,23,08,761	55,25,399
	<u>13,34,21,554</u>	<u>11,85,22,924</u>

Schedules

SCHEDULE 14: NOTES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

1. Significant Accounting Policies

General : The financial statements have been prepared under historical cost convention in accordance with generally accepted accounting principle in India and the provisions of the Companies Act, 1956, as adopted consistently by the company.

Fixed Assets : Fixed Assets, except Land and Building which were revalued as on 30.4.85, are stated at their original cost of acquisition including incidental expenditure related thereto, taxes, duties other than modvat credit availed and installation expenses. Net surplus or deficiency arising when an asset is disposed, discarded, demolished or destroyed are duly accounted.

Depreciation : Depreciation on Fixed Assets are provided on Straight Line Method at the rates and manner prescribed under Schedule XIV of the Companies Act, 1956.

Investments : Investments are stated at cost. Provisions are made to recognize permanent diminution in the value of Investments.

Inventories : Inventories are valued as under :

Finished Goods : At lower of cost or realisable value

Work in Progress : At cost, inclusive of appropriate overheads

Materials, Components & Spares : At weighted average cost including taxes & duties

Goods-in-transit : At cost

Foreign Currency Transaction : Transactions in foreign currency, other than those covered by forward contracts are accounted at exchange rates prevailing on the date of the

transaction. Assets and Liabilities in foreign currency not covered by forward contracts, are translated at exchange rate prevailing on the date of the Balance Sheet. The net loss, if any, on conversion is charged to revenue / asset account but gains, if insignificant, is not accounted for.

Research and Development : Fixed Assets purchased for Research and Development are capitalised and depreciated as per the Company's policy.

Retirement Benefit : Contribution to recognised Provident Fund is made at predetermined rates. There is no defined benefit scheme for Leave Encashment. The Company has an arrangement with Life Insurance Corporation of India to administer its Gratuity and Superannuation Schemes.

Borrowing Cost : Borrowing Cost that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Revenue Recognition : Revenue in respect of sale of products are recognised when goods are supplied to customers. Dividend income on Investments are accounted for when the right to receive the payment is established. Interest income is recognised on a time proportionate basis considering the amount outstanding and rate applicable. Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

Contingent Liability : All known liabilities are provided for in the accounts except liabilities of a contingent nature, which are adequately disclosed in accounts.

	31.03.2010 (Rs.)	31.03.2009 (Rs.)
2. Remuneration to Chairman & Managing Director (Refer Note No. 26)		
Salary	55,20,000	72,00,000
Company's contribution to PF & Other Funds	9,93,600	8,16,000
	<u>65,13,600</u>	<u>80,16,000</u>
3. Payments To Auditors		
Audit fees	5,00,000	8,00,000
Tax audit fees	75,000	75,000
Reimbursement of Expenses	35,000	35,000
Taxation matters	5,000	5,000
Certification Charges	50,000	50,000
Service Tax	51,500	1,14,948
	<u>7,16,500</u>	<u>10,79,948</u>

4. Quantitative Particulars

a. Particulars of Opening and Closing Stock of Finished Goods after adjusting returns

Products	Opening Stock (Nos.)	Closing Stock (Nos.)
Medical Electronics	1,901	4,705

Products	Installed Capacity	Actual Production	
		2009-10	2008-09
Medical Electronics	20,000	7635	7187

The Products are assembled from large number of Components/Parts procured from outside suppliers. Hence, quantity particulars for each item in respect of Purchases, Consumption and Sales cannot be furnished.

Schedules

(Amt. in Rupees)

c. Traded Goods		2009-10		2008-09	
Products	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	
Purchases: Medical Electronics	15373	32,41,46,050	5318	19,82,34,629	
d. Sales					
Domestic					
Medical Electronics	20199	71,80,27,020	13406	50,44,95,688	
Components, Spares etc.,		<u>11,27,34,332</u>		<u>28,20,27,453</u>	
		<u>83,07,61,352</u>		<u>78,65,23,141</u>	
Exports					
Medical Electronics	5	2,87,228	-	-	
		<u>83,10,48,580</u>		<u>78,65,23,141</u>	
5. CIF Value of Imports					
	2009-10	%	2008-09	%	
Raw Material	5,57,88,364		4,93,55,962		
Components/Parts	<u>39,80,22,242</u>		<u>27,86,04,331</u>		
	<u>45,38,10,606</u>		<u>32,79,60,293</u>		
6. Value of Raw Material, Spares & Components consumed during the year					
Imported	40,55,64,443	73.00	23,58,23,250	56.20	
Indigenous	<u>15,00,03,287</u>	<u>27.00</u>	<u>18,37,91,285</u>	<u>43.80</u>	
	<u>55,55,67,730</u>	<u>100.00</u>	<u>41,96,14,805</u>	<u>100.00</u>	
7. Earnings in Foreign Currency					
	2009 - 10		2008 - 09		
Export of Goods on FOB Basis		2,87,228		-	
8. Expenditure in Foreign Currency					
Travelling		14,20,559		14,27,884	
Professional charges		<u>10,25,170</u>		<u>-</u>	
		<u>24,45,729</u>		<u>14,27,884</u>	
9. Share Capital includes 21,930 Equity Shares of Rs 10/- each, allotted as fully paid-up for consideration other than cash and 96,50,000 Equity Shares of Rs. 10/- each, allotted as Bonus Shares by Capitalisation of General Reserve during an earlier period.					
10. 1,69,58,682 Non-convertible Non-cumulative 0.001% Preference Shares of Rs. 100/- each, are redeemable in four equal instalments at the end of the 11th,12th,13th and 14th year. The Preference Shares were allotted on 15th December, 2005.					
11. The loans / borrowings stated in Schedule 3 represent restated balances for lenders based on the option adopted by them respectively. However, confirmation of balance is yet to be obtained. In accordance with the terms of debt restructuring, the Company was to pay quarterly instalments of Rs. 6,578.62 lakhs commencing from May, 2008. Due to lack of funds, the payment has not been made. Interest on the loans have been provided based on the options selected by the lenders.					
Loans are secured by:					
I. Loans of Rs. 6537.84 Lakhs referred to in B of Schedule 3 is secured by a pledge of BPL Brand excluding BPL Brand of Colour Television.					
II. Loans of Rs. 4097.26 lakhs referred to in B of Schedule 3 is secured by equitable mortgage by deposit of title deed of immovable property of the company in Coimbatore and residential property in Bangalore and land in Hoskote. III. Loans of Rs. 1807.03 lakhs referred to in B of Schedule 3 is secured by equitable mortgage of leasehold property in Chennai and by a lien of fixed deposit with the bank. IV. Loans of Rs. 312.08 lakhs referred in B of Schedule 3 is secured by equitable mortgage by deposit of title deeds of the Immoveable property of the company situated at Taj Naval District, Pune. V. Loans of Rs. 13179.43 lakhs referred to B of Schedule 3 and loans of Rs. 100.00 lakhs referred to in A of Schedule 3 are secured by a common pool of all the assets of the company situated at Palakkad, Doddaballapur, Dobespet and Bommasandra and pledge of 2,26,90,000 Equity Shares held by the Company in SANYO BPL Private Limited and a personal guarantee of the Managing Director (pending execution), ranking paripassu, with all the lenders.					
12. There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31st March, 2010. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the company.					

Schedules

13. Details of Investments [Refer Schedule 5]

Company	No. of Shares	Face Value (Rs.)	Value as at 31.03.10 (Rs.)	Value as at 31.03.09 (Rs.)	Market Value as at 31.03.10 (Rs.)	Class
1. Trade – Unquoted						
<i>A : IN SUBSIDIARY COMPANIES</i>						
BPL Display Devices Limited	4,57,50,000	10	45,75,00,000	45,75,00,000		Equity Shares
BPL Display Devices Limited	45,00,000	100	45,00,00,000	45,00,00,000		Redeemable Preference Shares
Bharat Energy Ventures Limited	11,54,00,000	10	115,40,00,000	115,40,00,000		Equity Shares
BPL Securities Private Limited	1,20,000	10	1,200,000	12,00,000		Equity Shares
<i>B: IN JOINT VENTURES</i>						
SANYO BPL Private Limited	2,26,90,000	10	22,69,00,000	22,69,00,000		Equity Shares
<i>C: OTHERS – UNQUOTED</i>						
BPL Telecom Private Limited	25,96,980	10	21,59,58,986	21,59,58,986		Equity Shares
BPL Techno Vision Private Limited	1,000	10	10,000	10,000		Equity Shares
BPL Management Services Limited	89,91,000	10	8,99,09,910	8,99,09,910		Equity Shares
Electronic Research Private Limited	35,75,000	10	3,57,50,000	3,57,50,000		Equity Shares
BPL Power Projects [Kerala] Pvt. Limited	600	10	6,000	6,000		Equity Shares
Kleer Industries Inc. [USA]	87,000	7 USD	2,05,99,443	2,05,99,443		Shares
Kleer Industries Inc. [USA]	5,50,000	10 USD	24,56,15,069	24,56,15,069		Convertible Preferred Stock
SM Tech Limited [HK]	2,90,000	\$1.00	11,60,000	11,60,000		Shares
Euro Trade International Limited	52,041	1 GBP	35,25,849	35,25,849		Equity Shares
2. Trade – Quoted						
BS Appliances Limited	81,000	10	33,50,375	33,50,375		Equity Shares
BS Refrigerators Limited	54,28,000	10	21,35,87,924	21,35,87,924		Equity Shares
BST Limited	4,73,100	10	1,91,45,975	1,91,45,975		Equity Shares
BPL Engineering Limited	3,34,000	10	81,42,950	81,42,950		Equity Shares
3. Investment in Partnership Firms						
Kodi Properties and Finance			3,78,41,790	3,78,41,790		
Wellworth Electronics			9,63,184	9,63,609		
			318,51,67,455	318,51,67,880		

14. The particulars of Investments in Partnership Firms :

- a) **Kodi Properties** : The Company had, during earlier years, invested an amount of Rs. 378.42 lakhs as capital and has a share of profit of 98%. The total capital of the firm is Rs. 387.47 lakhs. The share of profits of other partners in the firm are; Electronic Research Private Limited and BPL Telecom Private Limited 1.00% each.
- b) **Wellworth Electronics** : The Company had during earlier years, invested an amount of Rs. 9.64 lakhs as capital and has a share of profit of 25%. The total capital of the firm is Rs. 32.53 lakhs. The share of profits of other partners in the firm are; BS Refrigerators Limited, BS Appliances Limited and BST Limited is 25% each. The firm incurred a loss of Rs. 1700/- and the company's share of loss of Rs. 425/- has been recognised in current period based on the audited accounts of the firm.
15. Cenvat benefits on purchases have been accounted for, in accordance with the provisions of Accounting Standard 2. Cenvat credit receivable has been included under the head 'Advances'.
16. As the company has no qualifying assets as defined in Accounting Standard 16, amount of borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset have not been capitalised.
17. In accordance with the provisions of Accounting Standard 17, the Company has only one reporting segment viz, Electronic Industry. Segmental reporting as defined is therefore not applicable.
18. The Company's restructuring proposal has been approved under CDR system vide letter dated 25th November, 2004. The salient features of terms of restructuring is waiver of certain percentage of principal amount of loans outstanding as on cut off date, reduction of rate of interest on loans retained and transfer of CTV division to a JV company as a going concern. Profitability of residual business of the company, Balance Sheet and Cash Flow were assessed by an independent authority. Based on their report, the management is confident of earning sufficient revenue to meet its liabilities and commitments. On the basis of above information, the current financial period accounts have been prepared on a going concern basis.

Schedules

19. Related Party disclosure in accordance with Accounting Standard 18:

(Rs. in lakhs)

Related Parties	1	2	3	4	Total
Purchase of goods			33.12		33.12
Sale of goods			73.83		73.83
Receiving of services		1.32	26.36		27.68
Finance transactions	12.50		887.51		900.01
Remuneration				65.14	65.14
Net outstanding Dr/(Cr)	1695.62	(14.30)	(2630.95)	(8.59)	(958.22)

Name of the related parties and description of relationship :

1. Subsidiaries : Bharat Energy Ventures Limited, BPL Securities Private Limited and BPL Display Devices Limited
2. Joint Venture : SANYO BPL Private Limited
3. Companies where Directors have control : Dynamic Electronics Private Limited, Orion Constructions Company Private Limited, ER Computers Private Limited, Phoenix Holdings Private Limited, Stallion Computers Private Limited, Electro Investment Private Limited, Nambiar International Investment Co. Private Limited, BPL Telecom Private Limited, BPL Techno Vision Private Limited, BPL Power Projects (AP) Private Limited, BPL FTA Energies Private Limited, Electronic Research Private Limited and NI Micro Technologies Private Limited
4. Key Management Personnel : Mr. Ajit G Nambiar, Chairman & Managing Director

20. The Company does not have any "lease arrangement" as defined under Accounting Standard 19.

21. No Provision for tax has been made for the current period in view of tax losses made by the Company. Deferred Tax Asset as envisaged by Accounting Standard 22 has been created by the company to the extent reasonable certainty exists for the future profitability. The components of Deferred Tax Asset are as follows:

Unaborsbed Depreciation	Rs. 92,86,92,806
Unaborsbed carry forward Business Loss	Rs. 590,67,73,690
Total	Rs. 683,44,66,496
Deferred Tax Asset	Rs. 232,30,35,162
Less: Opening Deferred Tax Asset	Rs. 231,35,64,494
Deffered Tax Asset for the year	Rs. 94,70,666

22. The Company has decided to discontinue the business of Engineering Plastics and designs solutions in the previous year. The assets pertaining to the same are sold in the current financial year except Land and Buildings. The loss on sale of tangible assets of Rs. 530.47 lakhs and impairment loss on assets of Rs 310.44 lakhs are recognised in the accounts.

23. The Company's provision of Gratuity as existing in books is sufficient to cover the actuarial value of liability as certified by external valuer. However, due to shortage of funds, the company is yet to fund the full actuarial liability under the scheme administered by LIC of India.

24. The Company is yet to obtain confirmation of balances from its debtors and for advances. Provisions have been made based on reconciliations carried out.

25. Extra-ordinary item of Rs. 376 lakhs in the Profit and Loss

Account represents the net effect of reduction in value of Secured Loans, Sundry Creditors and Advances.

26. Remuneration has been provided to the Chairman & Managing Director based on the approval received from the Central Government, vide its letter bearing No A40400111-CL-VII dated 24th April, 2009.

27. Figures pertaining to previous years have been regrouped/ re-arranged wherever necessary, to conform with the current year's presentation.

28. Contingent Liabilities :

- a) Estimated amount of contracts remaining to be executed on Capital Account and not provided on 31st March, 2010 Rs. Nil lakhs (Rs. Nil).
- b) Demands against the company not acknowledged as debts disputed in appeals as on 31st March, 2010 : Central Excise Rs. 490.23 lakhs (Rs 455.51 lakhs), Customs Duty Rs 668.77 lakhs (Rs.668.77 lakhs), Sales Tax Rs. 1987.93 lakhs (Rs. 2291.37 lakhs). The amounts are based on demands raised by the respective authorities.
- c) No reimbursements are expected from Contingent Liabilities.
- d) Deed of Guarantee favouring Allahabad Bank towards financial assistance of Rs 2000 lakhs sanctioned by them to BPL Display Devices Limited.
- e) As per CDR Scheme, lenders have a recompense clause for economic loss due to restructuring, which would be met out of any future cash flows of the company. It is not possible to quantify the liability, if any, that may arise.

As per our Report of even date annexed

For T Velu Pillai & Co.,
Chartered Accountants

For and on behalf of the Board of Directors

M S Ram
Partner
M.No. 26687

Ajit G Nambiar
Chairman & Managing Director

Bangalore
27th May, 2010

Capt. S Prabhala
Director

Balance Sheet Abstract

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I REGISTRATION DETAILS

Registration No.	2015	State Code	9
Balance Sheet Date	31.03.10		

II CAPITAL RAISED DURING THE YEAR (*Amount in Rs. thousands*)

Preferential Allotment	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (*Amount in Rs. thousands*)

Total Liabilities	72,95,478	Total Assets	72,95,478
Sources of Funds		Application of Funds	
Paid-up-Capital	21,80,980	Net Fixed Assets	11,32,907
Reserves & Surplus	23,63,585	Net Current Assets	3,00,952
Secured Loans	27,50,913	Investments	13,69,969
Unsecured Loans	-	Deferred Tax Asset	23,23,035
		Profit and Loss Account	21,68,616

IV PERFORMANCE OF COMPANY (*Amount in Rs. thousands*)

Turnover	11,85,048	Total Expenditure	11,49,984
Profit before Tax	(6,178)	Profit after Tax	3,293
Earnings Per Share (in Rs.)	0.07	Dividend Rate (%)	NIL

V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (*As per monetary terms*)

<i>Item Code No.(ITC Code)</i>	<i>Product Description</i>
901811.00	Electrocardiographs

As per our Report of even date annexed

For T Velu Pillai & Co.,
Chartered Accountants

For and on behalf of the Board of Directors

M S Ram
Partner
M.No. 26687

Ajit G Nambiar
Chairman & Managing Director

Bangalore
27th May, 2010

Capt. S Prabhala
Director

Cash Flow Statement

(Amt. in Rupees)

	For the Year ended	
	31.03.10	31.03.09
Cash Flow from operating activities		
Net profit/(loss) before taxation and extra - ordinary items	3,50,63,796	(23,78,08,490)
<i>Adjustments for :</i>		
Depreciation	10,81,70,548	11,39,89,532
Impairment Loss on Asset	3,10,43,764	-
Profits/(Loss) on Sale of Assets	33,45,20,552	(16,96,089)
Share of Profits/(Loss) from Partnership Firms	(425)	(425)
Provisions for Doubtful Advances/Debts	(36,41,746)	(29,00,51,454)
Extra-ordinary items (net)	(3,76,00,165)	-
Interest Income	93,86,966	58,23,640
Interest Expense	13,34,21,554	11,85,22,924
Operating Profit before working capital changes	(7,74,49,342)	(29,94,74,614)
Increase in Sundry Debtors	(3,84,04,706)	6,54,21,988
Decrease in Inventories	64,04,321	1,80,57,731
Decrease in Loans and Advances	13,39,960	38,44,50,797
Decrease in Sundry Creditors	(1,70,65,927)	(13,29,18,816)
Extra-ordinary items	(11,55,80,734)	-
Cash generated from operations	(24,07,56,428)	3,55,37,086
Income Tax paid	(36,15,383)	(19,14,890)
Net Cash from operating activities	(24,43,71,811)	3,36,22,196
Cash flow from investing activities		
Purchase of Fixed Assets	(1,42,03,450)	(2,74,38,632)
Decrease in Fixed Assets	46,29,52,909	33,44,679
Extra-ordinary items	17,16,10,031	-
Interest received	93,86,966	58,23,640
Net Cash used for investing activities	62,97,46,456	(1,82,70,313)
Cash Flow from financing activities		
Term Loans repaid	(4,79,50,000)	-
Finance Charges paid	(32,24,63,761)	(55,25,399)
Extra-ordinary items	(1,84,29,132)	-
Net Cash used in financing activities	(38,88,42,893)	(55,25,399)
Net increase in cash and cash equivalents	(34,68,248)	98,26,484
Cash and Cash equivalents at the beginning of the period	7,19,41,590	6,21,15,106
Cash and Cash equivalents at end of the period	7,54,09,838	7,19,41,590

As per our Report of even date annexed

For **T Velu Pillai & Co.**,
Chartered Accountants

For and on behalf of the Board of Directors

M S Ram
Partner
M.No. 26687

Ajit G Nambiar
Chairman & Managing Director

Bangalore
27th May, 2010

Capt. S Prabhala
Director

Statement Pursuant to Section 212

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

Name of the Subsidiary	Bharat Energy Ventures Limited	BPL Securities Private Limited
The Financial Year of Subsidiary Company ended on :	31st March, 2010	31st March, 2010
Shares of the subsidiary held by the Company on the above date		
1. Number and face Value	11,54,00,000 Equity Shares of Rs.10/- each, fully paid-up	1,20,000 Equity Shares of Rs.10/- each, fully paid-up
2. Extent of the holding	84.80%	99.04%
The net aggregate of profit (losses) of the subsidiary so far as concerns the members of the Holding Company		
I. Dealt within the accounts of the Holding Company amount to :		
a. for the subsidiary's current financial year :	NIL	NIL
b. for previous financial years since it became subsidiary of Holding Company amount to :	NIL	NIL
II. Not Dealt within the accounts of the Holding Company amount to :		
a. for the subsidiary's current financial year :	(Rs. 3,70,14,271)	(Rs. 3,212)
b. for previous financial years since it became subsidiary of Holding Company amount to :	(Rs. 17,83,51,492)	(Rs. 22,01,73,178)
Changes in Company's interest in the above subsidiaries between 1st April, 2009 to 31st March, 2010 : The Company's interest in equity shareholding of Bharat Energy Ventures Limited (BEVL) has been decreased to 84.80% from 100%; consequent to further allotment of shares to other investors by the Subsidiary Company i.e. BEVL.		
Material changes between 1st April, 2009 to 31st March, 2010 in respect of the fixed assets of, investment of, moneys lent and moneys borrowed (other than meeting current liabilities) by the above subsidiaries : NIL		
<i>Note</i> : The Company's another subsidiary viz. BPL Display Devices Limited is under liquidation and hence, no financial details are furnished.		

For and on behalf of the Board of Directors

Bangalore
27th May, 2010

Ajit G Nambiar
Chairman & Managing Director

Capt. S Prabhala
Director

Auditors' Report - on Consolidated Statement of Accounts

We have examined the attached consolidated Balance Sheet of BPL Limited as at 31st March, 2010 the consolidated Profit and Loss Account for the period ending on date mentioned above.

These financial statements are the responsibility of BPL Limited's management. Our responsibility is to express an opinion on this financial statement based on our audit. We have conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting frame work and are free of material misstatements. An audit includes examining on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis of our opinion.

a) The accounts of the following subsidiaries have not been consolidated in view of Clause 11(b) of Accounting Standard 21;

- i) Bharat Energy Ventures Limited ii) BPL Securities Private Limited.
iii) BPL Display Devices Limited

The impact, if any, of audit qualifications of the above companies is, therefore, not dealt within this report.

b) The share of interest in Joint Venture Company namely SANYO BPL Private

Limited, where BPL Limited holds 50% interest, has been considered in the Consolidated Accounts, on proportionate consolidation method.

- c) We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India.
- d) On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of BPL Limited and its Jointly Controlled Entity, we are of the opinion that :
- a. the consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of BPL Limited as at 31st March, 2010.
- b. the consolidated Profit and Loss Account gives a true and fair view of the consolidated results of the operations of BPL Limited for the year ended on 31st March, 2010; and
- c. the Consolidated Cash Flow Statement of the consolidated cash flows of the group for the period ended on that date.

For T Velupillai & Co.,
Chartered Accountants

Bangalore
27th May, 2010

M S Ram(26687)
Partner

Consolidated Balance Sheet

(Amt. in Rupees)

	Schedule No.	31.03.2010	As at 31.03.2009
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	299,87,47,280	299,87,47,280
Reserves and Surplus	2	236,35,84,580	236,35,84,580
		<u>536,23,31,860</u>	<u>536,23,31,860</u>
Loan Funds			
Secured Loans	3	275,09,13,420	300,63,60,035
Unsecured Loans	4	13,50,00,000	18,50,00,000
		<u>824,82,45,280</u>	<u>855,36,91,895</u>
APPLICATION OF FUNDS			
Fixed Assets	5	120,82,53,876	163,87,87,222
Investments	6	136,99,68,560	136,99,68,986
Deferred Tax Asset		232,30,35,162	231,35,64,496
Current Assets, Loans & Advances	7	126,22,90,526	131,42,91,379
Less: Current Liabilities & Provisions	8	89,86,44,718	104,47,68,185
Net Current Assets		<u>36,36,45,808</u>	<u>26,95,23,194</u>
Profit and Loss Account		298,33,41,874	296,18,47,997
		<u>824,82,45,280</u>	<u>855,36,91,895</u>
Notes to Accounts	15		

As per our Report of even date annexed

For **T Velu Pillai & Co.**,
Chartered Accountants

For and on behalf of the Board of Directors

M S Ram
Partner
M.No. 26687

Ajit G Nambiar
Chairman & Managing Director

Bangalore
27th May, 2010

Capt. S Prabhala
Director

Consolidated Profit and Loss Account

(Amt. in Rupees)

	Schedule No.	For the year ended	
		31.03.2010	31.03.2009
INCOME			
Gross Sales and other Income		120,82,73,219	135,31,15,148
Less : Excise Duty		1,55,55,369	5,99,97,775
Net Sales and other Income	9	<u>119,27,17,850</u>	<u>129,31,17,373</u>
EXPENDITURE			
Cost of Materials	10	56,92,58,873	59,73,68,892
Salaries, wages and other benefits	11	14,82,44,826	32,80,95,777
Manufacturing and other expenses	12	13,43,15,789	17,95,90,227
Selling expenses	13	3,83,68,157	6,01,74,563
Finance charges	14	14,82,66,436	25,00,86,309
Depreciation		11,29,42,637	15,80,83,823
Impairment Loss on Asset		3,10,43,764	-
		<u>118,24,40,481</u>	<u>157,33,99,591</u>
Profit/(Loss) before Provisions and taxation		1,02,77,369	(28,02,82,218)
Provision for Diminution in value of investments		-	(3,88,05,399)
Provision for doubtful Advances/Debts		(36,41,746)	(29,88,88,411)
Extra-ordinary items (net)		(3,76,00,165)	-
Profit/(Loss) before Tax		(3,09,64,543)	(61,79,76,028)
Fringe Benefit Tax		-	(32,96,770)
Deferred Tax Asset		94,70,666	66,07,03,321
Profit / (Loss) after tax		(2,14,93,877)	3,94,30,523
Balance brought forward		(296,18,47,997)	(300,12,78,520)
Balance carried over		<u>(298,33,41,874)</u>	<u>(296,18,47,997)</u>
<i>Earnings per Share (EPS)</i>			
Equity Shares of face value of Rs.10/-each			
Basic		(0.44)	0.81
Number of shares used in computing EPS			
Basic		4,85,10,244	4,85,10,244
Notes to Accounts	15		

As per our Report of even date annexed

For **T Velu Pillai & Co.,**
Chartered Accountants

For and on behalf of the Board of Directors

M S Ram
Partner
M.No. 26687

Ajit G Nambiar
Chairman & Managing Director

Bangalore
27th May, 2010

Capt. S Prabhala
Director

Consolidated Schedules Forming Part of Accounts

(Amt. in Rupees)

31.03.2010

31.03.2009

SCHEDULE 1 : SHARE CAPITAL

Authorised

5,50,00,000 Equity Shares of Rs.10/- each (5,00,00,000 Equity Shares of Rs.10/-each)	55,00,00,000	50,00,00,000
1,70,00,000 Redeemable Preference Shares of Rs.100/- each (1,75,00,000 Redeemable Preference Shares of Rs.100/- each)	<u>170,00,00,000</u>	<u>175,00,00,000</u>

Issued, Subscribed and Paid-up

4,85,10,244 Equity Shares of Rs. 10/- each	48,51,02,440	48,51,02,440
Shares Forfeited	9,750	9,750
1,69,58,682 Redeemable Non-Cumulative Preference Shares of Rs.100/- each	169,58,68,200	169,58,68,200
8,17,76,689 Redeemable Preference Shares of Rs.10/- each	81,77,66,890	81,77,66,890
	<u>299,87,47,280</u>	<u>299,87,47,280</u>

SCHEDULE 2 : RESERVES & SURPLUS

Capital Reserve	49,800	49,800
Capital Redemption Reserve	53,33,00,000	53,33,00,000
Share Premium Account	183,02,34,780	183,02,34,780
	<u>236,35,84,580</u>	<u>236,35,84,580</u>

SCHEDULE 3 : SECURED LOANS (Refer Note 4)

A. Loans from Banks	1,00,00,000	4,59,74,724
B. Loans from Financial Institutions	259,33,64,751	260,69,83,277
Interest accrued and due	14,75,48,669	35,34,02,034
	<u>275,09,13,420</u>	<u>300,63,60,035</u>

SCHEDULE 4 : UNSECURED LOANS

Loan from Sanyo India Private Limited	13,50,00,000	18,50,00,000
	<u>13,50,00,000</u>	<u>18,50,00,000</u>

SCHEDULE 5 : FIXED ASSETS

Particulars	Gross Block at Cost				Depreciation		Net Block	
	As on 01-04-09	Additions	Deletions	As on 31-03-10	For the year	As on 31-03-10	As on 31-03-10	As on 31-03-09
Land	33,90,39,318	2,05,05,919	2,13,84,377	33,81,60,860	-	-	33,81,60,860	33,90,39,318
Building	47,29,39,016	3,71,500	2,70,64,330	44,62,46,186	1,41,50,347	17,96,22,990	26,66,23,196	29,90,43,747
Plant & Machinery	198,92,35,093	9,41,892	33,72,12,753	165,29,64,231	7,86,49,247	108,14,63,056	57,15,01,175	76,69,14,703
Computer, Equipments and Networking	8,76,15,278	37,20,864	3,33,933	9,10,02,209	62,72,152	8,08,23,846	1,01,78,363	1,28,13,821
Furniture & Fixtures	18,11,88,108	12,29,982	95,13,731	17,29,04,359	1,18,61,832	16,05,25,593	1,23,78,766	2,43,10,198
Vehicles	3,50,15,268	6,09,301	87,778	3,55,36,791	10,21,883	3,21,27,667	34,09,124	40,43,510
Research and Developmental Expenditure	13,52,84,051	23,22,652	37,85,089	13,38,21,614	9,87,177	12,78,19,222	60,02,392	55,13,234
Total	324,03,16,131	2,97,02,110	39,93,81,991	287,06,36,250	11,29,42,637	166,23,82,374	120,82,53,876	145,16,78,531
Capital Work-in-Progress							-	18,71,08,691
							<u>120,82,53,876</u>	<u>163,87,87,222</u>

Schedules

(Amt. in Rupees)

	31.03.2010	31.03.2009
SCHEDULE 6 : INVESTMENTS AT COST		
Trade - Unquoted		
A : In Subsidiary Companies	206,27,00,000	206,27,00,000
B : Others	61,25,35,257	61,25,35,257
Trade - Quoted	24,42,27,224	24,42,27,224
Investment in Partnership Firms	3,88,04,974	3,88,05,399
	295,82,67,455	295,82,67,880
Less: Provision for diminution in Investments	158,82,98,895	158,82,98,894
	<u>136,99,68,560</u>	<u>136,99,68,986</u>
SCHEDULE 7 : CURRENT ASSETS, LOANS & ADVANCES		
A. Current Assets		
Inventories (as certified by management)		
Finished Goods	2,72,26,250	3,30,39,208
Work-in-Process	73,29,764	1,52,07,949
Raw Material	2,32,90,173	2,55,61,878
Stock of Spares & Tools	4,03,52,636	3,07,94,109
Materials in transit	-	-
	<u>9,81,98,823</u>	<u>10,46,03,144</u>
Sundry Debtors [unsecured]		
Debts outstanding for more than six months		
- considered good	60,34,912	1,20,33,664
- considered doubtful	2,63,19,048	12,65,88,388
Less: Provision for Doubtful Debts	2,63,19,048	12,65,88,388
	<u>60,34,912</u>	<u>1,20,33,664</u>
Others	15,19,15,621	11,23,43,301
	<u>15,79,50,533</u>	<u>12,43,76,965</u>
Cash & Bank Balances		
Cash in Hand	64,559	72,345
Balance with Scheduled Banks		
- in Current Accounts	2,55,41,348	5,23,18,072
- in Short Term Deposit Accounts	11,87,56,243	16,00,00,000
	<u>14,43,62,150</u>	<u>21,23,90,417</u>
B. Loans & Advances		
(Unsecured considered good)		
Advances recoverable in cash or in kind or for value to be received	86,17,79,020	87,29,20,853
Considered doubtful	29,00,51,454	29,20,22,502
Less: Provision for Doubtful Advances	29,00,51,454	29,20,22,502
	<u>126,22,90,526</u>	<u>131,42,91,379</u>
SCHEDULE 8 : CURRENT LIABILITIES & PROVISIONS		
A. Liabilities		
Sundry Creditors		
- dues to Micro, Small and Medium Enterprises	-	-
- others	68,47,14,665	83,32,15,270
Liability for Expenses	16,91,37,996	15,17,09,822
Trade Deposits	4,47,92,058	5,98,43,093
	<u>89,86,44,718</u>	<u>104,47,68,185</u>
SCHEDULE 9 : SALES & OTHER INCOME		
Gross Sales	83,10,48,580	99,66,95,495
Less: Excise Duty	1,55,55,369	5,99,97,775
Net Sales	81,54,93,211	93,66,97,720
Other Income	2,92,75,392	33,54,20,987
Profit on Sale of Assets	33,45,20,552	-
Interest Received (Gross)	1,34,28,694	2,09,98,665
	<u>119,27,17,850</u>	<u>129,31,17,373</u>

Schedules

	(Amt. in Rupees)	
	31.03.2010	31.03.2009
SCHEDULE 10 : COST OF MATERIALS		
Opening Stock		
Finished Goods	3,30,39,208	10,17,52,080
Work-in-process	1,52,07,949	1,24,83,706
	<u>4,82,47,157</u>	<u>11,42,35,786</u>
Materials Consumed		
Opening Stock	2,55,61,878	9,75,06,217
Purchases during the year	55,32,96,025	45,94,35,924
Closing Stock	(2,32,90,173)	(2,55,61,878)
	<u>55,55,67,730</u>	<u>53,13,80,263</u>
Closing Stock		
Finished Goods	(2,72,26,250)	(3,30,39,208)
Work-in-Process	(73,29,764)	(1,52,07,949)
	<u>(3,45,56,014)</u>	<u>(4,82,47,157)</u>
	<u>56,92,58,873</u>	<u>59,73,68,892</u>
SCHEDULE 11 : SALARIES, WAGES & OTHER BENEFITS		
Salaries & Wages	12,29,71,744	28,75,11,734
Contribution to PF & Other Funds	83,67,287	1,83,41,017
Employees Welfare Expenses	1,03,92,196	1,42,27,026
Remuneration to Directors	65,13,600	80,16,000
	<u>14,82,44,826</u>	<u>32,80,95,777</u>
SCHEDULE 12 : MANUFACTURING AND OTHER EXPENSES		
Consumables	54,45,199	49,40,378
Power & Fuel	1,02,50,489	1,26,95,497
Repairs to Machinery	12,78,611	19,05,095
Repairs to Buildings & Facilities	1,16,06,825	1,72,77,372
Rent	76,93,085	1,32,39,569
Royalty expenses	-	9,92,662
Rates & Taxes, other than Income Tax	97,38,678	97,03,077
Communication Charges	95,31,091	97,13,786
Legal & Professional Charges	3,80,13,604	5,73,31,416
Travel & Conveyance	3,13,22,760	4,03,39,854
Other Expenses	94,35,023	97,55,007
Share of Loss from a Partnership Firm	425	425
Loss on Sale of Assets	-	16,96,089
	<u>13,43,15,789</u>	<u>17,95,90,227</u>
SCHEDULE 13 : SELLING EXPENSES		
Freight & Insurance	1,82,95,636	2,97,43,334
Turn Over Tax	-	4,85,714
Advertisement & Publicity	50,70,245	78,09,960
Bad debts written off	10,18,12,745	2,93,021
Less : Provision for doubtful debts no longer required	10,18,12,745	-
Other Selling Expenses	1,50,02,276	2,18,42,534
	<u>3,83,68,157</u>	<u>6,01,74,563</u>
SCHEDULE 14 : FINANCE CHARGES		
Interest		
- On Term Loans	11,11,12,793	13,55,68,552
- To Banks and others	3,71,53,643	11,45,17,757
	<u>14,82,66,436</u>	<u>25,00,86,309</u>

Schedules

SCHEDULE 15 : NOTES ATTACHED TO AND FORMING PART OF THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

1. Significant Accounting Policies

General : The financial statements have been prepared under historical cost convention in accordance with generally accepted accounting principle in India and the provisions of the Companies Act, 1956, as adopted consistently by the company.

Fixed Assets : Fixed Assets, except Land and Building which were revalued as on 30.4.85, are stated at their original cost of acquisition including incidental expenditure related thereto, taxes, duties other than modvat credit availed and installation expenses. Net surplus or deficiency arising when an asset is disposed, discarded, demolished or destroyed are duly accounted.

Depreciation : Depreciation on Fixed Assets are provided on Straight Line Method at the rates and manner prescribed under Schedule XIV of the Companies Act, 1956.

Investments : Investments are stated at cost. Provisions are made to recognize permanent diminution in the value of Investments.

Inventories : Inventories are valued as under :

Finished Goods	: At lower of cost or realisable value
Work in Progress	: At cost - inclusive of appropriate overheads
Materials, Components & Spares	: At weighted average cost including taxes & duties
Goods in transit	: At cost

Foreign Currency Transaction : Transactions in foreign currency, other than those covered by forward contracts are accounted at exchange rates prevailing on the date of the transaction. Assets and liabilities in foreign currency not covered by forward contracts, are translated at exchange rate prevailing on the date of the balance sheet. The Net loss, if any, on conversion is charged to revenue /asset account but gains, if insignificant, is not accounted for.

Research and Development : Fixed Assets purchased for Research and Development are capitalised and depreciated as per the Company's policy. Development expenditure which are revenue in nature are considered as forming part of the Gross Block and are Amortised with reference to the estimated benefit derived from the product and process.

Retirement Benefit : Contribution to recognised Provident Fund is made at predetermined rates. There is no defined benefit scheme for Leave Encashment. The Company has an arrangement with Life Insurance Corporation of India to administer its Gratuity and Superannuation Schemes.

Borrowing Cost : Borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the asset. Other borrowing costs are recognized as expense in the period in which they are incurred.

Revenue Recognition : Revenue in respect of sale of products are recognised when goods are supplied to customers. Dividend income on investments are accounted for when the right to receive the payment is established. Interest income is recognized on a time proportionate basis considering the amount outstanding and rate applicable. Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

Contingent Liability : All known liabilities are provided for, in the accounts except liabilities of a contingent nature, which are adequately disclosed in accounts.

Basis of Consolidation : BPL Limited has recognized its interest in the Jointly Controlled Entity to the extent of its interest under a proportionate consolidation method. The Company has a 50% interest in the Jointly Controlled Entity. No consolidated financial Statement of BPL Limited and its Subsidiaries are prepared in compliance of Clause 11(b) of Accounting Standard 21. Intra group transactions resulting unrealized profits/losses are eliminated to the extent of venturer's interest.

- Share Capital includes 21,930 Equity Shares of Rs. 10/- each, allotted as fully paid up for consideration other than cash and 96,50,000 Equity Shares of Rs. 10/- each, allotted as Bonus Shares by Capitalisation of General Reserve during an earlier period.
- 1,69,58,682 Non-Convertible Non-Cumulative 0.001% Preference Shares of Rs. 100/- each, are redeemable in four equal installments at the end of the 11th, 12th, 13th and 14th year. The Preference Shares were allotted on 15th December, 2005.
- The loans / borrowings stated in Schedule 3 represent restated balances for lenders based on the option adopted by them respectively. However, confirmation of balance is yet to be obtained. In accordance with the terms of debt restructuring, the Company was to pay quarterly instalments of Rs. 6578.62 lakhs commencing from May, 2008. Due to lack of funds, the payment has not been made. Interest on the loans have been provided based on the options selected by the lenders.

Loans are secured by:

- Loans of Rs. 6537.84 Lakhs referred to in B of Schedule 3 is secured by a pledge of BPL Brand excluding BPL Brand of color Television.
- Loans of Rs. 4097.26 lakhs referred to in B of Schedule 3 is secured by equitable mortgage by deposit of title deed of immovable property of the company in Coimbatore and residential property in Bangalore and land in Hoskote.
- Loans of Rs. 1807.03 lakhs referred to in B of Schedule 3 is secured by equitable mortgage of leasehold property in Chennai and by a lien on a fixed deposit with the bank.
- Loans of Rs. 312.08 lakhs referred in B of Schedule 3 is secured by equitable mortgage by deposit of title deeds of the immovable property of the company situated at Taj Naval District, Pune.

- Loans of Rs. 13179.43 lakhs referred to B of Schedule 3 and loans of Rs 100.00 lakhs referred to in A of Schedule 3 are secured by a common pool of all the assets of the company situated at Palakkad, Doddaballapur, Dobsespet and Bommasandra and pledge of 2,26,90,000 equity shares held by the Company in SANVO BPL Private Limited and a personal guarantee of the Managing Director (pending execution), ranking pari passu with all the lenders.
- CENVAT benefits on purchases have been accounted for, in accordance with the provisions of Accounting Standard 2. Cenvat credit receivable has been included under the head 'Advances'.
- As the company has no qualifying assets as defined in Accounting Standard 16, amount of borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset have not been capitalised.
- In accordance with the provisions of Accounting Standard 17, the Company has only one reporting segment viz, Electronic Industry. Segmental reporting as defined is therefore, not applicable.
- The Company's restructuring proposal has been approved under CDR System vide letter dated 25th November, 2004. The salient features of terms of restructuring is waiver of certain percentage of principal amount of loans outstanding as on cut off date, reduction of rate of interest on loans retained and transfer of CTV division to a JV Company as a going concern. Profitability of residual business of the company, Balance Sheet and Cash Flow were assessed by an independent authority. Based on their report, the management is confident of earning sufficient revenue to meet its liabilities and commitments. On the basis of above information, the current financial period accounts have been prepared on a going concern basis.
- Related Party disclosure in accordance with Accounting Standard 18:

(Rs. in lakhs)

Related Parties	1	2	3	Total
Purchase of goods		33.12		33.12
Sale of goods		73.83		73.83
Receiving of services		26.36		26.36
Finance transactions	12.50	887.51		900.01
Remuneration			65.14	65.14
Net outstanding Dr/(Cr)	1695.62	(2630.95)	(8.59)	(943.92)

Name of the related parties and description of relationship :

- Subsidiaries: Bharat Energy Ventures Limited, BPL Securities Private Limited and BPL Display Devices Limited
 - Joint Venture : SANYO BPL Private Limited
 - Companies where Directors have control : Dynamic Electronics Pvt. Limited, Orien Constallion Company Pvt Limited, ER Computers Pvt. Limited, Phoenix Holdings Pvt. Limited, Stallion Computers Pvt. Limited, Electro Investment Pvt. Limited, Nambiar International Investment Co. Pvt. Limited, BPL Telecom Pvt. Limited, BPL Techno Vision Pvt. Limited, BPL Power Projects (AP) Pvt. Limited, BPL FTA Energies Pvt. Limited, Electronic Research Pvt. Limited and NI Micro Technologies Pvt. Limited.
 - Key Management Personnel: Mr. Ajit G Nambiar, Chairman & Managing Director
- The Company does not have any "lease arrangement" as defined under Accounting Standard 19.
 - No Provision for tax has been made for the current period in view of tax losses made by the company. Deferred tax asset as envisaged by Accounting Standard 22 has been created by the company, to the extent reasonable certainty exists for the future profitability. The components of Deferred Tax Asset are as follows:

Unabsorbed Depreciation	Rs. 92,86,92,806
Unabsorbed carry forward Business Loss	Rs. 590,67,73,690
Total	Rs. 683,44,66,496
Deferred Tax Asset	Rs. 232,30,35,162
Less: Opening Deferred Tax Asset	Rs. 231,35,64,496
Deferred Tax Asset for the year	Rs. 94,70,666
 - Remuneration has been paid to the Managing Director based on the approval received from the Central Government.
 - Figures pertaining to previous years have been regrouped/rearranged, wherever necessary, to conform with the current year's presentation.
 - Contingent Liabilities :
 - Estimated amount of contracts remaining to be executed on Capital Account and not provided on 31st March, 2010 Rs nil lakhs (Rs nil)
 - Demand against the Company not acknowledged as debts disputed in appeals as on 31st March, 2010 : Central Excise Rs. 490.23 lakhs (455.51 lakhs), Customs Duty Rs 668.77 lakhs (Rs.668.77 lakhs), Sales Tax Rs. 1987.93 lakhs (Rs. 2291.37 lakhs). The amounts are based on demands raised by the respective authorities.
 - No reimbursements are expected from Contingent Liabilities.
 - Deed of Guarantee favouring Allahabad Bank towards financial assistance of Rs 2000 lakhs sanctioned by them to BPL Display Devices Limited.
 - As per CDR Scheme, Lenders have a recompense clause for economic loss due to restructuring, which would be met out of any future cash flows of company. It is not possible to quantify the liability, if any, that may arise.

As per our Report of even date annexed

For T Velu Pillai & Co.,
Chartered Accountants

M S Ram
Partner
M.No. 26687

Bangalore
27th May, 2010

For and on behalf of the Board of Directors

Ajit G Nambiar
Chairman & Managing Director

Capt. S Prabhala
Director

Consolidated Cash Flow Statement

(Amt. in Rupees)

	For the Year ended	
	31.03.2010	31.03.2009
Cash Flow from operating activities		
Net profit/(loss) before taxation and extra-ordinary items	1,02,77,369	(28,02,82,218)
<i>Adjustments for :</i>		
Depreciation	11,29,42,637	15,80,83,823
Impairment Loss on Asset	3,10,43,764	-
Profit/(Loss) on Sale of Assets	33,45,20,552	(16,96,089)
Provisions for Doubtful Advances/Debts	(36,41,746)	(29,88,88,411)
Extra-ordinary items (net)	(3,76,00,165)	-
Share of Profit/(Loss) from Partnership Firms	(425)	(425)
Interest Income	1,34,28,694	2,09,98,665
Interest Expense	14,82,66,436	25,00,86,309
Operating Profit before working capital changes	(8,66,60,527)	(19,03,02,648)
Increase in Sundry Debtors	(3,35,73,568)	18,01,13,541
Decrease in Inventories	64,04,321	14,26,24,152
Decrease in Loans and Advances	1,60,71,176	41,25,98,303
Decrease in Sundry Creditors	(3,05,42,734)	(60,78,83,321)
Extra ordinary items	(11,55,80,734)	-
Cash generated from operations	(24,38,82,065)	(6,28,49,974)
Income Tax paid	(39,52,339)	(61,21,114)
Net Cash from operating activities	(24,78,34,404)	(6,89,71,088)
Cash Flow from investing activities		
Purchase of Fixed Assets	(1,42,03,450)	(3,59,30,794)
Decrease in Fixed Assets	46,26,58,639	1,99,25,009
Extra-ordinary items	17,16,10,031	-
Interest received	1,34,28,694	2,09,98,665
Net Cash used for investing activities	63,34,93,914	49,92,880
Cash Flow from financing activities		
Proceeds from issue of Share Capital - Preference	-	70,43,16,890
Term loans repaid	(9,79,50,000)	(40,15,15,060)
Extra-ordinary items	(1,84,29,132)	-
Interest paid	(33,73,08,643)	(13,70,70,336)
Net Cash used in financing activities	(45,36,87,775)	16,57,31,494
Net increase in cash and cash equivalents	(6,80,28,267)	10,17,53,285
Cash and Cash equivalents at beginning of the period	21,23,90,417	11,06,37,132
Cash and Cash equivalents at end of the period	14,43,62,150	21,23,90,417

As per our Report of even date annexed

For T Velu Pillai & Co.,
Chartered Accountants

For and on behalf of the Board of Directors

M S Ram
Partner
M.No. 26687

Ajit G Nambiar
Chairman & Managing Director

Bangalore
27th May, 2010

Capt. S Prabhala
Director

Subsidiary Accounts - Bharat Energy Ventures Limited

DIRECTORS' REPORT

To the Members,

Your Directors take pleasure in presenting the Thirteenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2010

REVIEW OF OPERATIONS

Ramagundam Project

The Company earned small Other Income of Rs. 2.35 lacs as profit on sale of asset and there were no other earnings. After considering interest, depreciation, project implementation costs etc., the Company has incurred a loss of Rs. 370.14 lacs.

Significant developments took place in respect of the Ramagundam Project during the year under review.

Firstly, the Government of Andhra Pradesh (AP) issued an order dated 9.10.2009 reinstating the earlier terminated Power Purchase Agreement (PPA) between APTRANSCO and BPL Power Projects (AP) Private Limited (BPL Power) and approved increase of project capacity from 520 MW to 600 MW.

Secondly, the AP Energy Regulatory Commission (APERC) consented to BPL Power proposals for amending the reinstated PPA, for accommodating the revised Technical and Financial Parameters into the PPA, arising from increase in project capacity.

Thirdly, BPL Power has obtained all necessary consents and approvals for increased requirements of Water & Coal, environmental clearance for increased capacity, change in chimney height etc.

Lastly, BPL Power is in the process of filing Amendment Agreement to the PPA as directed by the APERC, to enable parties to execute the Amendment Agreement and file it with APERC.

With these developments, the Ramagundam project is well on its way to tie up debt financing and move towards financial close of the project.

Cheemeni Project

There was no activity during the year in respect of the Cheemeni Power Project of M/s BPL Power Projects (Kerala) Private Ltd (BPL-Kerala). In view of the long delay in reviving the project, the Company applied for striking off its name as a defunct Company under Section 560 of the Companies Act, 1956 from the Register maintained by the Registrar of Companies. Based on the application filed by the Company, the Registrar of Companies, Kerala, has struck off the name of the Company from the Register maintained at his office and the Company is dissolved effective 29th July, 2010.

DIVIDEND

Your directors are unable to recommend any dividend, in view of absence of profits for the period under review.

PUBLIC DEPOSITS

During the year, the Company has not accepted any Public Deposits. As an NBFC not taking public deposits, your Company has given an undertaking not to accept any Public Deposits in future without the prior approval of the Reserve Bank of India.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS & OUTGO

Activities of your Company are mainly in the nature of power project development and hence information required to be provided under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 in relation to Conservation of Energy, Research & Development and Technology Absorption are currently not relevant to the Company. There has been no foreign exchange income or outgo during the year.

PARTICULARS OF EMPLOYEES

During the year under review, there was no employee of the Company who was in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

AUDIT COMMITTEE

Capt. S Prabhala, Chairman
Mr. Ajit G Nambiar, Member and
Mr. A M Saleem, Member

OTHER COMMITTEES PRESCRIBED BY THE RBI

The Company has also formed Nomination Committee, Risk Management Committee and Asset Liability Management Committee on 20th May, 2010, as required under Prudential Norms & Guidelines prescribed by the RBI.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217

(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the accounts for the year ended 31st March, 2010, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for the year under review;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities and
- the Directors had prepared the accounts for the year ended 31st March, 2010, on a 'going concern' basis.

DIRECTORS

Capt. S Prabhala was appointed as a Director of the company on 26th June, 2009, who represents BPL Limited, the holding company, pursuant to the requirement of Listing Agreement as applicable to the holding company. Mr. Shashi Nambiar, Director, retires by rotation, at the ensuing Annual General Meeting and is eligible for re-appointment.

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AUDITORS

M/s T Velu Pillai & Co., Chartered Accountants, the retiring Auditors of the Company, are eligible for re-appointment. The Company has received a certificate under Section 224(1B) of the Companies Act, 1956 from them indicating their eligibility for re-appointment.

ACKNOWLEDGEMENT

Your Directors thank and express their gratitude for the support and co-operation received from BPL Limited, the Holding Company, the State Governments and Electricity Board of Andhra Pradesh, the Central Electricity Authority, the Financial Institutions, Banks and other Central/State Govt. Ministries and departments involved in the projects.

On behalf of the Board

A M Saleem Ajit G Nambiar
Director Director

Bangalore
30th July, 2010

ADDENDUM TO THE DIRECTORS REPORT

Explanation for the Auditors' Comments in their Report & Annexure.

1. At serial No.2 of the Auditors Report relating to Going Concern concept

Management is of the opinion and confident that the company would continue to be a going concern, in view of the present status of the Ramagundam Project, of which it is the principal sponsor, holding substantial part of its Assets.

2. At serial no. 4 B (iii) of the Auditor's Report relating to compliance of Prudential Norms of RBI

Management is confident of seeking an exemption from the Reserve Bank of India in respect of single party exposure in regard to its investment in BPL Power Projects (AP) Private Limited. Consequently, the amounts lying as advances against the said company do not require provisioning during the year under review.

3. At serial no. 4B (v) and (vi) of the Auditor's Report relating to delay in filing of form NBS-7 with RBI

Management has prepared the Form NBS-7 consistent with the methodology adopted in the previous years in respect of Special reserve created under Sec 45 I C of the RBI Act. Therefore, in its opinion, the CRAR has been computed on the basis of methodology used in previous years. The delay in filing the Form NBS - 7 was owing to delay in finalization of accounts for the year under review.

4. At serial nos. 9 (a) and (b) of the Annexure to the Auditor's Report relating to delay in remittance of Statutory dues

There have been instances of delays in remittance of undisputed statutory dues of income-tax deducted at source and service tax. Due to cash flow constraints there have been some delays in remittance of TDS and Service Tax. However, steps have been initiated to clear the dues.

On behalf of the Board

A M Saleem Ajit G Nambiar
Director Director

Bangalore
30th July, 2010

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AUDITORS' REPORT

To the Members of Bharat Energy Ventures Limited

We have audited the attached Balance Sheet of **Bharat Energy Ventures Limited** as at March 31, 2010, and the Profit and Loss Account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India, in terms of Section 227 (4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
- The accounts for the year have been prepared on a going concern basis however, considering the factors mentioned in Note no: 3 of Schedule 8 to accounts, regarding the status of accounts and audit of M/s BPL Power Projects (AP) Private Limited, where in the company has invested its funds, we are of the view that the conditions governing the going concern assumption no longer exist. The impact of adjustments, if any, are not quantifiable, pending ascertainment of realizable values of these investments, had the

accounts been valued as a non-going concern.

- Further to our comments in the Annexure referred to in Paragraph 1 and 2 above, we report that:
 - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - The Balance Sheet and Profit and Loss Account dealt with in this report are in agreement with the books of account of the Company;
 - In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable;
 - On the basis of the written representations received from the Directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as Director in terms of Clause (g) of sub-Section (1) of Section 274 of the Companies Act, 1956;
 - In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the notes thereto, and subject to our comments in paragraph 2 above, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the

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Subsidiary Accounts - Bharat Energy Ventures Limited

<p>accounting principles generally accepted in India;</p> <p>i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010,</p> <p>ii) in the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date, and</p> <p>iii) in the case of the Cash flow Statement, of the cash flows for the year ended on that date.</p> <p>4. As required by the 'Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2008, we further state that we have submitted a Report to the Board of Directors of the company containing a statement on the matters specified in the said Directions, namely the following:</p> <p>A. (i) The company has obtained the certificate of Registration from the Reserve Bank of India.</p> <p>(ii) The company has not started earning any income from its activities. Hence, considering the asset pattern, we report that the company is entitled to continue to hold Certificate of Registration.</p> <p>B. We further report that,</p> <p>(i) The Board of Directors of the company has passed a resolution for non acceptance of any public deposits.</p> <p>(ii) The Company has not accepted any public deposits during the year under review.</p> <p>(iii) <i>Considering the fact that the single party exposure norms prescribed by RBI have not been complied with, we report that the company has not complied with the prudential norms relating to income recognition, accounting standards, asset</i></p>	<p><i>classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.</i></p> <p>(iv) The Company is a systemically Important (Non-Deposit Accepting or Holding) NBFC as defined in paragraph 2(1) (xix) of Non Banking Financial (Non-deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions 2007;</p> <p>(v) The capital adequacy ratio as disclosed in the return submitted to the bank in form NBS - 7 has been correctly arrived at.</p> <p>(vi) The Company has delayed the submission Form NBS 7 to the Reserve Bank.</p> <p style="text-align: right;">For T Velu Pillai & Co., Chartered Accountants</p> <p>Bangalore 30th July, 2010</p> <p style="text-align: right;">M S Ram (26687) Partner</p> <p>ANNEXURE TO THE AUDITORS' REPORT</p> <p>(Annexure referred to in Auditors' Report to the members of BHARAT ENERGY VENTURES LIMITED, for the year ended on 31st March, 2010.)</p> <p>1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.</p> <p>(b) The Fixed assets of the Company have been physically verified by the management at reasonable intervals and no material discrepancies between the book records and physical assets were noticed.</p>
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<p>(c) During the year, company has not disposed a substantial part of its fixed assets.</p> <p>2. As the Company has not purchased/sold goods during the year nor is there any inventory, requirement of reporting on physical verification of stocks or maintenance of inventory records, in our opinion does not arise.</p> <p>3. The company has neither granted nor taken any loans secured or unsecured to or from Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, clauses iii(b), (c),(d),(e),(f) and (g) of the Order are not applicable to the Company for the current year.</p> <p>4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets, and for the sale of goods and services. During the course of our audit, no continuing failure, to correct any major weakness in the internal control system, has been noticed.</p> <p>5. In our opinion, and according to the information and explanations given to us, there are no transactions that need to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956. Hence, Clause (b) of the Order is not applicable to the Company.</p> <p>6. The Company has not accepted deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules made there under are not applicable to the Company.</p>	<p>7. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.</p> <p>8. According to the information and explanations provided by the management, the Company is not engaged in production, processing manufacturing or mining activities. Hence, the provisions of Section 209(1)(d) of the Companies Act, 1956, do not apply to the company. Hence, in our opinion, no comments on maintenance of cost records under Section 209(1)(d) is required.</p> <p>9. (a) According to the records of the Company and information and explanation given to us, other than delays in remittance of Service tax, the Company has been generally regular in depositing undisputed statutory dues including Income Tax with the appropriate authorities during the year.</p> <p>(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty were outstanding, as at 31st March 2010 for a period of more than six months from the date of they became payable, other than service tax amounting to Rs.15.30 lacs, VAT amounting to Rs.49.59 lacs, Employee State Insurance amounting to Rs.870/- and Professional Tax amounting to Rs.10,960/- and Tax Deducted at Sources amounting to Rs 3.79 lacs.</p> <p>(c) According to the records of the company, there are no dues of Income Tax, Sales Tax, Service Tax, Wealth Tax, Customs Duty, Excise Duty, and cess, which have not been deposited on account of any dispute.</p>
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<p>10. The Accumulated loss of the Company does not exceed 50% of its net worth as at 31st March, 2010. The Company has incurred a cash loss of Rs 3.62 crores in the current financial year, against a cash loss of Rs. 4.42 crores in the immediately preceding financial year.</p> <p>11. According to records of the company, the Company has not borrowed any sum from any financial institution or bank, nor issued any debentures till 31st March, 2010. Hence, in our opinion, the question of reporting on defaults in repayment of dues to financial institutions or banks or debenture does not arise.</p> <p>12. According to the records of the Company, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.</p> <p>13. In our opinion and according to the information and explanations provided by the management, we are of the opinion that the company is neither a Chit Fund nor a Nidhi/Mutual Benefit Fund/Society. Hence, in our opinion, the requirement of para 4 (xiii) of the Order does not apply to the company.</p> <p>14. As per the records of the company and according to the information and explanation given to us by the management, the Company is not dealing or trading in shares, securities, debentures and other investments.</p> <p>15. According to the records of the company and on the basis of information and explanations provided to us by the management, we report that the company has not given any guarantee for loans taken by others from banks or financial institutions.</p> <p>16. According to the records of the Company, the Company has not obtained any term</p>	<p>loans. Hence, the requirements of paragraph 4(xvi) of the order are not applicable to the Company.</p> <p>17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that funds raised on short-term basis have not been used for long term investments by the Company.</p> <p>18. According to the records of the Company and the information and explanations provided by the management, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.</p> <p>19. According to the records of the Company, the Company has not issued any debentures.</p> <p>20. The Company has not raised any money by public issues during the period under audit.</p> <p>21. Based upon the audit procedures performed and on the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.</p> <p style="text-align: right;">For T Velu Pillai & Co., Chartered Accountants</p> <p>Bangalore 30th July, 2010</p> <p style="text-align: right;">M S Ram (26687) Partner</p>
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<p>17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that funds raised on short-term basis have not been used for long term investments by the Company.</p> <p>18. According to the records of the Company and the information and explanations provided by the management, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.</p> <p>19. According to the records of the Company, the Company has not issued any debentures.</p> <p>20. The Company has not raised any money by public issues during the period under audit.</p> <p>21. Based upon the audit procedures performed and on the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.</p> <p style="text-align: right;">For T Velu Pillai & Co., Chartered Accountants</p> <p>Bangalore 30th July, 2010</p> <p style="text-align: right;">M S Ram (26687) Partner</p>	<p>8</p> <p>BALANCE SHEET (Amt. in Rupees)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: center;">Sch. No.</th> <th style="text-align: right;">As at 31.03.2010</th> <th style="text-align: right;">31.03.2009</th> </tr> </thead> <tbody> <tr> <td colspan="4">SOURCES OF FUNDS</td> </tr> <tr> <td>Shareholders Funds</td> <td style="text-align: center;">1</td> <td style="text-align: right;">147,98,90,000</td> <td style="text-align: right;">142,72,15,000</td> </tr> <tr> <td>Reserves & Surplus</td> <td style="text-align: center;">2</td> <td style="text-align: right;">55,87,430</td> <td style="text-align: right;">55,87,430</td> </tr> <tr> <td>Deferred Tax Liability</td> <td></td> <td style="text-align: right;">6,10,000</td> <td style="text-align: right;">6,10,000</td> </tr> <tr> <td>TOTAL</td> <td></td> <td style="text-align: right;">148,60,87,430</td> <td style="text-align: right;">143,34,12,430</td> </tr> <tr> <td colspan="4">APPLICATION OF FUNDS</td> </tr> <tr> <td>Fixed Assets</td> <td style="text-align: center;">3</td> <td style="text-align: right;">19,27,46,138</td> <td style="text-align: right;">19,11,02,127</td> </tr> <tr> <td>Investments</td> <td style="text-align: center;">4</td> <td style="text-align: right;">115,86,55,200</td> <td style="text-align: right;">115,86,55,200</td> </tr> <tr> <td>Current Assets, Loans & Advances</td> <td style="text-align: center;">5</td> <td style="text-align: right;">10,76,21,181</td> <td style="text-align: right;">8,05,28,537</td> </tr> <tr> <td>Less : Current Liabilities & Provisions</td> <td style="text-align: center;">6</td> <td style="text-align: right;">15,45,43,780</td> <td style="text-align: right;">14,18,95,354</td> </tr> <tr> <td>Net Current Assets</td> <td></td> <td style="text-align: right;">(4,69,22,599)</td> <td style="text-align: right;">(6,13,66,818)</td> </tr> <tr> <td>Miscellaneous Expenditure</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(Preliminary Expenditure to the extent not written-off or adjusted)</td> <td></td> <td style="text-align: right;">32,57,200</td> <td style="text-align: right;">36,84,700</td> </tr> <tr> <td>Profit & Loss Account</td> <td></td> <td style="text-align: right;">17,83,51,492</td> <td style="text-align: right;">14,13,37,221</td> </tr> <tr> <td>TOTAL</td> <td></td> <td style="text-align: right;">148,60,87,430</td> <td style="text-align: right;">143,34,12,430</td> </tr> <tr> <td>Notes on Accounts</td> <td style="text-align: center;">8</td> <td></td> <td></td> </tr> </tbody> </table> <p>Schedules 1 to 8 form an integral part of this Balance Sheet</p> <p>As per our Report of even date annexed.</p> <p>For T Velu Pillai & Co., Chartered Accountants</p> <p style="text-align: right;">For and on behalf of the Board</p> <p style="display: flex; justify-content: space-between;"> M S Ram (26687) Partner A M Saleem Director Ajit G Nambiar Director </p> <p>Bangalore 30th July, 2010</p>	Particulars	Sch. No.	As at 31.03.2010	31.03.2009	SOURCES OF FUNDS				Shareholders Funds	1	147,98,90,000	142,72,15,000	Reserves & Surplus	2	55,87,430	55,87,430	Deferred Tax Liability		6,10,000	6,10,000	TOTAL		148,60,87,430	143,34,12,430	APPLICATION OF FUNDS				Fixed Assets	3	19,27,46,138	19,11,02,127	Investments	4	115,86,55,200	115,86,55,200	Current Assets, Loans & Advances	5	10,76,21,181	8,05,28,537	Less : Current Liabilities & Provisions	6	15,45,43,780	14,18,95,354	Net Current Assets		(4,69,22,599)	(6,13,66,818)	Miscellaneous Expenditure				(Preliminary Expenditure to the extent not written-off or adjusted)		32,57,200	36,84,700	Profit & Loss Account		17,83,51,492	14,13,37,221	TOTAL		148,60,87,430	143,34,12,430	Notes on Accounts	8		
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Subsidiary Accounts - Bharat Energy Ventures Limited

PROFIT AND LOSS ACCOUNT		(Amt. in Rupees)	
Particulars	Sch. No.	For the year ended	
		31.03.2010	31.03.2009
INCOME			
Other income - Profit on sale of Asset	7	2,35,185	-
Statutory Audit fee		50,000	55,180
Tax Audit fee		25,000	16,545
Project Implementation costs		3,21,50,391	4,09,11,533
Office Expenses		3,63,019	3,31,280
Electricity Charges		4,17,464	3,04,751
Repairs & Maintenance		1,12,851	8,46,041
Rent		33,02,600	15,19,835
Donation		1,00,000	-
Interest & Bank Charges		4,305	23,752
Preliminary Expenditure Written off		4,27,500	4,27,500
Depreciation		2,96,326	1,74,388
Total		3,72,49,456	4,46,10,805
PROFITS			
Profit/(Loss) before taxation		(3,70,14,271)	(4,46,10,805)
Tax Expenses		-	-
Current Tax		-	-
Fringe Benefit Tax		-	2,59,995
Deferred Tax on Timing Difference		-	-
Profit/(Loss) after tax		(3,70,14,271)	(4,48,70,801)
Balance brought forward		(14,13,37,221)	(9,64,66,420)
Balance available for Appropriation		(17,83,51,492)	(14,13,37,221)
Appropriation		-	-
Transfer to Special Reserve (in terms of Section 45 I-C of the Reserve Bank of India Act, 1934)		-	-
Balance carried over		(17,83,51,492)	(14,13,37,221)
Earnings per Share (EPS)		-	-
Equity Shares of face value of Rs. 10/- each		-	-
Basic		(0.27)	(0.36)
Diluted		-	-
Number of Shares used in computing EPS		13,61,09,000	12,61,60,000
Notes on Accounts	8		
As per our Report of even date annexed.			
For T Velu Pillai & Co., Chartered Accountants		For and on behalf of the Board	
M S Ram (26687) Partner	A M Saleem Director	Ajit G Nambiar Director	
Bangalore 30th July, 2010			

SCHEDULES FORMING PART OF THE ACCOUNTS		(Amt. in Rupees)								
Particulars		As at								
		31.03.2010	31.03.2009							
SCHEDULE 1 : SHARE CAPITAL										
<i>Authorised</i>										
140,000,000 Equity Shares of Rs 10/- each		140,00,00,000	140,00,00,000							
<i>Issued, Subscribed and Paid-up</i>										
13,61,09,000 (12,61,60,000 as on 31.03.2009) Equity Shares of Rs.10/- each, fully paid-up		136,10,90,000	126,16,00,000							
Advance for Share Capital		11,88,00,000	16,56,15,000							
		147,98,90,000	142,72,15,000							
SCHEDULE 2 : RESERVES AND SURPLUS										
<i>Surplus</i>										
Special Reserve		55,87,430	55,87,430							
Profit & Loss Account		-	-							
		55,87,430	55,87,430							
SCHEDULE 3 : FIXED ASSETS										
Particulars	Gross Block			Depreciation			Net Block			
	As on 01.04.09	Additions	Deletions	As on 31.03.10	Upto 01.04.09	For the period	Deletion for the period	Upto 31.03.10	As on 31.03.10	As on 01.04.09
Computer	16,40,984	4,58,557	-	20,99,541	11,46,524	1,46,304	-	12,92,828	8,06,713	4,94,440
Office Equipments	22,80,159	3,52,676	-	26,32,835	7,98,116	1,13,681	-	9,11,797	17,21,038	14,82,043
Furniture & Fixtures	2,11,062	11,58,919	-	13,69,981	70,196	32,765	-	1,02,961	12,67,020	1,40,866
Vehicles	48,210	-	48,210	-	14,819	3,576	18,395	-	-	33,391
Sub - Total	41,80,415	19,70,152	48,210	61,02,357	20,29,655	2,96,326	18,395	23,07,586	37,94,771	21,50,760
Capital Work in Progress - Capital Advance	18,89,51,367	-	-	18,89,51,367	-	-	-	-	18,89,51,367	18,89,51,367
Total	19,31,31,782	19,70,152	48,210	19,50,53,724	20,29,655	2,96,326	18,395	23,07,586	19,27,46,138	19,11,02,127
Previous Year Figures	19,11,02,127	6,17,05,329	-	19,31,31,782	18,55,267	1,74,388	-	20,29,655	19,11,02,127	13,13,50,453
SCHEDULE 4 : INVESTMENTS AT COST										
<i>Trade</i>										
A) BPL Power Projects (AP) Pvt. Ltd.		115,86,55,200	115,86,55,200							
11,58,65,520 Equity shares of Rs.10/- each, fully paid- Unquoted										
		115,86,55,200	115,86,55,200							

SCHEDULE FORMING PART OF THE ACCOUNTS		(Amt. in Rupees)	
Particulars		As at	
		31.03.2010	31.03.2009
SCHEDULE 5 : CURRENT ASSETS, LOANS & ADVANCES			
A. Current Assets			
Cash in hand		1,65,095	30,799
Balance with Scheduled Banks in Current Accounts		2,51,156	4,21,119
		4,16,251	4,51,917
B. Loans & Advances			
(Unsecured considered good)			
Advances		10,66,54,627	7,95,26,316
Advance Tax		5,50,303	5,50,303
		10,76,21,181	8,05,28,536
SCHEDULE 6 : CURRENT LIABILITIES AND PROVISIONS			
Sundry Creditors for expenses		15,25,24,034	13,98,75,608
Provision for Income Tax		20,19,746	20,19,746
		15,45,43,780	14,18,95,354
SCHEDULE 7: OTHER INCOME			
Profit on Sale of Assets		2,35,185	-
SCHEDULE 8 : NOTES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 31ST MARCH 2010			
I. SIGNIFICANT ACCOUNTING POLICIES			
Accounting Convention			
Accounts have been prepared on historical cost conventions in accordance with Indian Generally Accepted Accounting Principles, the accounting standards issued by the Institute of Chartered Accountants of India and the Indian Companies Act, 1956 as adopted consistently by the company.			
The fundamental accounting assumptions underlying the preparation and presentation of financial statements are:			
a) <i>Going concern</i> : The Enterprise is viewed as continuing in operation for the foreseeable future.			
b) <i>Consistency</i> : The accounting policies are consistent from one period to the next.			
c) <i>Accrual</i> : Revenues and costs are accrued as they are earned or incurred and recorded in the financial statement of the period to which they relate.			
Major consideration governing the selection and application of accounting policies are:			
a) <i>Prudence</i> : In view of the uncertainties attached to the future, profits are not anticipated but recognized only when realized though not necessarily in cash. Provisions are made for all known liabilities and losses			
b) <i>Substance over Form</i> : Presentation in financial statement of transactions and events are Governed by substance and not merely by legal forms.			

SCHEDULE FORMING PART OF THE ACCOUNTS		(Amt. in Rupees)	
Particulars		As at	
		31.03.2010	31.03.2009
SCHEDULE 5 : CURRENT ASSETS, LOANS & ADVANCES			
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a) <i>Prudence</i> : In view of the uncertainties attached to the future, profits are not anticipated but recognized only when realized though not necessarily in cash. Provisions are made for all known liabilities and losses			
b) <i>Substance over Form</i> : Presentation in financial statement of transactions and events are Governed by substance and not merely by legal forms.			
c. <i>Materiality</i> : Financial statements disclose all material items.			
Fixed Assets and Depreciation:			
a) <i>Fixed Assets</i> : All Fixed Assets are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of purchase price, levies and any directly attributable cost of bringing the assets into its working condition for the intended use.			
b) <i>Depreciation</i> : Depreciation : Depreciation on fixed assets are provided on Straight line method at the rates and in the manner prescribed under Schedule XIV of the Companies Act 1956. Fixed Assets whose aggregate cost is Rs. 5,000/- or less are depreciated fully in the year of acquisition.			
Foreign Currency Transaction			
Transactions in foreign currencies, other than those covered by forward contracts are recorded at the exchange rate prevailing on the date of the transaction. Realized gains and losses and also exchange differences arising on translation at year end exchange rates of current assets and current liabilities outstanding at the end of the year are recognized in the profit and loss account.			
Retirement and other employee benefits:			
Contribution to Recognized Provident Fund and Superannuation Schemes, which are defined contribution schemes are charged to profit and loss account of the year when the contributions to the respective funds accrue. Provision for Gratuity, which is a defined benefit scheme and provision for leave encashment is made based on actual number of years worked by the employees at the rates provided for in the Payment of Gratuity Act.			
Investments			
Investments being long term in nature are stated at cost. Provision is made for any permanent diminution in the value of investments.			
Contingent Liabilities:			
All known liabilities are provided for in the accounts except liabilities of a contingent nature, which are adequately disclosed in accounts.			
Revenue Recognition:			
Revenue from contract work is recognized on a percentage completion basis; however, no income is recognized or billed till there arises virtual certainty of the same being realized.			
Taxation:			
Provision Fringe Benefit Tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax, 1961, as applicable to the Financial Year.			
Provision for current tax is not made as the company has made no income during the year.			
Deferred Tax Asset is not recognized in view of uncertainty in recovering the same in the near future.			
Preliminary Expenses:			
1. Preliminary Expenses are written off over a period of 10 years.			
2. The Company has not raised any public deposits (within the meaning of Acceptance of Deposits Regulations relating to Non-Banking Finance Companies, issued by the Reserve Bank of India from time to time), during the year under review. The company is in fact classified as a Non-Deposit taking Systematically Important (ND-SI) NBFC, by the Reserve Bank of India.			

Subsidiary Accounts - Bharat Energy Ventures Limited

3. The company is the principal investor and chief sponsor of the Ramagundam project being set up by BPL Power. The Government of Andhra Pradesh, Energy Department has, vide G.O. Ms No. 51 dated 9.10.2009 agreed for reinstatement of the BPL Ramagundam Project PPA while affording increase in project capacity to 600 MW and capping the cost of project. Pursuant to directions issued under the said GO, the project received energy regulator's consent for amendments to the PPA in May 2010. The shareholders and the Directors of BPL Power are committed to recommencing project construction activity at the earliest possible opportunity. In view of the development as stated above, the financial statements of the company for the year ended 31st March, 2010 have been prepared on a going concern basis. The Auditors of BPL Power Projects (AP) Private Limited in their report on accounts of that company for the financial year ended 31st March, 2008 have qualified the assumption of going concern as being contingent upon favorable outcome of efforts of that company in executing an amended power purchase agreement to carry on its business. However BPL Power is yet to sign the revised power purchase agreement. The accounts of BPL Power for the financial years ended March, 2009 and 31st March, 2010 are yet to be audited.

4. Pursuant to an agreement between the company and BPL Power Projects(AP) Private Limited, the company has agreed to assist BPL power in carrying out certain critical areas of work of the company in respect of the Ramagundam Project, and incurring certain expenses towards, including but not limited to protecting assets at site, work related to reinstatement of PPA, reinstatement of coal linkage agreement, identifying and bringing in prospective investors, finalizing Engineering, Procurement and Construction contract and Operation and Maintenance contract and thereafter to achieve financial closure of the project.

5. Estimated amount of contract remaining to be executed on capital account and not provided for is Rs. 7,449.00 lacs (Previous Year- Rs.7549.00 lacs).

6. Due to inadequacy of profits, the company has not transferred 20% of its profits for the year to Special Reserve as required under Section 45 IC of the Reserve Bank of India Act, 1934.

7. Contingent Liability: Nil (Previous year Nil).

8. Payment to Auditors

Auditors' Remuneration	31st March, 2010	31st March, 2009
Statutory Audit Fees	Rs. 50,000	Rs. 50,000
Tax Audit Fees	Rs. 25,000	Rs. 15,000
Service Tax	Rs. 7,725	Rs. 6,695
Total	82,725	Rs. 71,695

9. Balances of sundry debtors and creditors are subject to confirmation.

10. Expenditure in Foreign Currency

Particulars	4,75,255	4,10,100
Foreign Travel and Accommodation	4,75,255	4,10,100
Total	4,75,255	4,10,100

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11. Earnings Per Share:

(Basic and Diluted Earnings Per Share are one and the same as there is no dilution in equity)

Particulars	31.03.2010	31.03.2009
Profit after Tax	(3,70,14,271)	(4,48,70,801)
Number of Equity Shares outstanding	13,61,09,000	12,61,60,000
Basic and Diluted Earnings Per Share(in Rs)	(0.27)	(0.36)

12. The Company has only one reportable segment and hence, segmental reporting as required by Accounting Standard 17 is not applicable to the Company.

13. Related Party Disclosures:

a) Parties where control exists

Holding Company : BPL Limited

Associate Enterprises : BPL Power Projects (AP) Private Limited

b) Transactions with Related Parties during the year:

Particulars	31.03.2010	31.03.2009
Holding Company (BPL Limited)		
Advance received	NIL	NIL
Associated Enterprises (BPL Power Projects(AP) Private Limited)		
Advances paid	1,15,30,141	46,60,618
Total	1,15,30,141	46,60,618

14. There are no Micro, Small and Medium Enterprises, to whom the company owes dues which are outstanding for more than 45 days at the Balance Sheet date. Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company, the auditors have relied this upon.

15. Figures for the previous year have been regrouped and rearranged wherever necessary, to conform to current period groupings.

As per our Report of even date annexed.

For T Velu Pillai & Co.,
Chartered Accountants

M S Ram (26687)
Partner

Bangalore
30th July, 2010

For and on behalf of the Board

A M Saleem
Director

Ajit G Nambiar
Director

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BPL Securities Private Limited

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BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No.	21067	State Code	08
Balance Sheet date	31.03.2010		

II. CAPITAL RAISED DURING THE YEAR (Amount : Rs. in thousands)

Public issue	-	Rights issue	-
Bonus issue	-	Private placement	-

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount : Rs. in thousands)

Total Liabilities	1486087	Total Assets	1486087
SOURCES OF FUNDS			
APPLICATION OF FUNDS			
Paid up Capital	1361090	Net Fixed Assets	192746
Advance for Share Capital	118800	Net Current Assets	(46922)
Secured Loans	-	Investments	1158655
Reserves & Surplus	5587	Miscellaneous Expenditure	3257
Deferred Tax Liability	610	Profit & Loss Account	178351

IV. PERFORMANCE OF COMPANY(Amount : Rs. in thousands)

Turnover/Income	Nil	Total Expenditure	37249
Profit/(Loss) before Tax	(37014)	Profit after Tax	(37014)
Earning per Share (Rs.)	(0.27)	Dividend Rate (%)	Nil

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY(As per monetary terms)

Item Code No. (ITC Code)	Product description
NA	1. Consultancy and Project Development
	2. Investment

As per our Report of even date annexed.

For T Velu Pillai & Co.,
Chartered Accountants

M S Ram (26687)
Partner

Bangalore
30th July, 2010

For and on behalf of the Board

A M Saleem
Director

Ajit G Nambiar
Director

DIRECTORS' REPORT

To the Members,

Your Directors submit the Eighteenth Annual Report on the business and operations of the Company together with Audited Statement of Accounts for the year ended 31.03.2010.

Operations

During the year under review, the Company has earned an income of Rs.27,520/-. The expenditure for the year amounted to Rs.30,732/- and the loss for the year amounted to Rs. 3,212/-

Dividend

Since the Company has not made any profit during the year under review, your Directors have not recommended any dividend.

Deposits

During the year, the Company has not accepted any deposits from the public and hence, no amount was outstanding as on the date of Balance Sheet.

Employees

Information in terms of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of employees) Rules, 1975, is Nil.

Particulars under Section 217(1)(e)

Since the Company is not carrying on any manufacturing activities, no comments are made in respect of research and development, conservation of energy, technology absorption, adaptation and innovation as required under Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

Foreign Exchange Earnings and Outgo

During the year, the Company has not earned nor incurred any foreign exchange.

Subsidiary Status

Your Company continues to be a subsidiary of BPL Limited by virtue of latter's holding 1,20,000 fully paid equity shares of Rs.10/- each, constituting 99.04% of the paid up capital of the Company.

Directors

In accordance with the Articles of Association of the Company, Mrs. Meena Nambiar retires by

rotation and being eligible offers herself for re-election.

Compliance Certificate

In accordance with the proviso to Section 383-A (1) of the Companies Act, 1956, a Certificate of Compliance obtained from the Company Secretary in Whole time Practice is attached to this Report.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts for the financial year ended 31.03.2010 the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31.03.2010 and of the loss of the Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the accounts for the financial year ended 31.03.2010 on a going concern basis.

Auditors

M/s Gowthama & Associates, Chartered Accountants, Bangalore, hold office as auditors till the conclusion of forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

For and on behalf of the Board

Thankam Nambiar
Director

Meena Nambiar
Director

Bangalore
5th May, 2010

Subsidiary Accounts - BPL Securities Private Limited

AUDITORS' REPORT

To the Members of BPL Securities Private Limited, Bangalore

We have audited the attached Balance Sheet of BPL Securities Private Limited as on 31st March 2010 and the Profit & Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

(I) As required by the Companies (Auditor's Report) Order, 2003, as amended by order 2004, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such examination of the books and the information and explanations given to us during the course of our audit we enclose in the Annexure our comments on the matters specified in Paragraph 4 and 5 of the said Order.

(II) Further to our comments in the Annexure referred to in Paragraph above, we report that:

- (i) We have obtained all the information and explanations which to the best of our

knowledge and belief were necessary for the purpose of our audit;

- (ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books;
- (iii) The Balance Sheet and the Profit & Loss Account dealt with by the Report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section 3(C) of Section 211 of the Companies Act, 1956;
- (v) According to the information and explanations given to us and on the basis of written representations received from the Directors of the Company, taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 31st March, 2010 from being appointed as a director under Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956; and
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit & Loss Account read together with the notes annexed to and forming part of the accounts for the year ended 31st March, 2010 give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- (a) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2010 and

- (b) in the case of the Profit and Loss Account, of the loss for the year ended on that date.

For **Gowthama & Associates**
Chartered Accountants

Bangalore
5th May, 2010
H V Gowthama
Partner (M.No.14353)

ANNEXURE REFERRED TO IN PARAGRAPH I OF THE AUDITORS' REPORT TO THE MEMBERS OF BPL SECURITIES PRIVATE LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010

- 1) The Company does not own fixed assets. Consequently the clause 4(i)(a) to 4(i)(c) of the Companies (Auditor's Report) Order, 2003, as amended by order 2004, is not applicable.
- 2) The Company is not carrying on any manufacturing activity nor the Company's nature of operations require it to hold inventories. Consequently, the Clause 4(ii)(a) to 4(ii)(c) of the Companies (Auditor's Report) Order, 2003, as amended by order 2004, is not applicable.
- 3) (a) The Company has borrowed an amount of Rs. 2,32,500 from two Companies being interest free unsecured loans for which repayment date has not been stipulated.
- (b) The terms and conditions of the above mentioned loans are prima facie not prejudicial to the interest of the Company.
- 4) In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. The activities of the Company do not involve purchase of inventory and the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.

5) According to the information and explanations given to us, there are two transactions that need to be entered into the register maintained in pursuance of Section 301 of the Companies Act, 1956 has been entered where necessary.

6) The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India, the provisions of Sections 58A and 58AA of the Companies Act, 1956, and the rules framed there under are not applicable.

7) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.

8) According to the information and explanation given to us, maintenance of cost records have not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956.

9) (a) According to the information and explanation given to us, the Company during the financial year, is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income-tax, sales tax, wealth tax, customs duty, excise duty, cess and other material statutory dues, whichever is applicable to the Company, with appropriate authorities.

(b) In our opinion and according to the information and explanations given to us, there are no disputes pending in respect of Sales tax, Income-tax, Customs duty, Wealth tax, Excise duty and cess before any forum of appeal or otherwise.

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(10) In our opinion, the accumulated losses of the Company at the end of the financial year 31.03.2010 exceeds fifty per cent of its net worth on account of forfeiture of investment held as inventory, by the investee company and that the Company has incurred cash losses during the financial year ended on that date and in the immediately preceding financial year.

(11) The Company has not taken any loan from financial institution or bank or issued any debentures. Accordingly, para 4(xi) of the Companies (Auditor's Report) Order, 2003, as amended by order 2004, is not applicable.

(12) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, para 4(xii) of the Companies (Auditor's Report) Order, 2003, as amended by order 2004, is not applicable.

(13) The Company is not in purview of the provisions of any special statute applicable to Chit Fund and Nidhi/Mutual Benefit Fund/Society. Accordingly, para 4(xiii) of the Companies (Auditor's Report) Order, 2003, as amended by order 2004, is not applicable.

(14) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, para 4(xiv) of the Companies (Auditor's Report) Order 2003, as amended by order 2004, is not applicable.

(15) According to the information and explanations given to us, the Company has not given guarantee for loan taken by others from banks and financial institutions and

hence para 4(xv) of the Companies (Auditor's Report) Order, 2003, as amended by order 2004, is not applicable.

(16) The Company has not obtained any term loan. Accordingly, para 4(xvi) of the Companies (Auditor's Report) Order, 2003, as amended by order 2004, is not applicable.

(17) The Company has not raised any funds on short term basis and used for long term investment and vice versa.

(18) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.

Accordingly, para 4(xviii) of the Companies (Auditor's Report) Order, 2003, as amended by order 2004, is not applicable.

(19) The Company has not issued any debentures. Accordingly, para 4(xix) of the Companies (Auditor's Report) Order, 2003, as amended by order 2004, is not applicable.

(20) The Company has not raised any money by public issue during the year. Accordingly, para 4(xx) of the Companies (Auditor's Report) Order 2003, as amended by order 2004, is not applicable.

(21) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **Gowthama & Associates**
Chartered Accountants

Bangalore
5th May, 2010
H V Gowthama
Partner (M.No.14353)

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BALANCE SHEET		(Rupees)	
Particulars	Sch. No.	31.03.2010	As at 31.03.2009
SOURCES OF FUNDS			
<i>Shareholders' Funds</i>			
a. Share Capital	1	22,62,11,600	22,62,11,600
b. Reserves and Surplus		-	-
<i>Loan Funds</i>			
Secured Loan		-	-
Unsecured Loan	2	2,32,500	2,32,500
		22,64,44,100	22,64,44,100
APPLICATION OF FUNDS			
<i>Fixed Assets</i>			
Investments	3	10,000	10,000
Current Assets, Loans & Advances	4	63,07,878	63,33,095
Less: Current Liabilities & Provisions	5	46,956	68,961
Net Current Assets		62,60,922	62,64,134
Miscellaneous Expenditure to the extent not written off or adjusted		-	-
Profit & Loss Account		22,01,73,178	22,01,69,966
		22,64,44,100	22,64,44,100
As per our report of even date annexed			
For Gowthama & Associates Chartered Accountants		For and on behalf of the Board	
H V Gowthama Partner (M.No.14353)		Thankam Nambiar Director	
Bangalore 5th May, 2010		Meena Nambiar Director	

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Subsidiary Accounts - BPL Securities Private Limited

PROFIT AND LOSS ACCOUNT		(Rupees)	
Particulars	Sch. No.	For the year ended 31.03.2010	31.03.2009
INCOME			
Miscellaneous Income		27,520	-
		27,520	-
EXPENDITURE			
Bank charges		95	293
Profession tax		2,500	2,500
Audit fee		5,515	5,515
Filing fee		1,500	1,500
Demat charges		15,607	66,732
Professional fees		5,515	6,318
		30,732	82,858
Profit/(Loss) for the year		(3,212)	(82,858)
Provision for diminution in market value of quoted shares added back		-	-
Balance brought forward		(22,01,69,966)	(22,00,87,108)
Balance carried over to Balance Sheet		(22,01,73,178)	(22,01,69,966)
As per our report of even date annexed			
For Gowthama & Associates Chartered Accountants		For and on behalf of the Board	
H V Gowthama Partner (M.No.14353) Bangalore 5th May, 2010		Thankam Nambiar Director Meena Nambiar Director	

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SCHEDULES FORMING PART OF THE ACCOUNTS		(Rupees)	
Particulars		As at 31.03.2010	31.03.2009
SCHEDULE 1 : SHARE CAPITAL			
<i>Authorised Capital</i>			
3,01,50,000 (3,01,50,000) Equity Shares of Rs.10/- each		30,15,00,000	30,15,00,000
<i>Issued, Subscribed and Paid up Capital</i>			
1,21,160 Equity Shares of Rs.10/- each, fully paid up (1,21,160 Equity Shares of Rs.10/- each, fully paid up)		12,11,600	12,11,600
Shares forfeited account		22,50,00,000	22,50,00,000
		22,62,11,600	22,62,11,600
SCHEDULE 2 : UNSECURED LOAN			
Inter corporate Loan		2,32,500	2,32,500
		2,32,500	2,32,500
SCHEDULE 3 : INVESTMENTS			
Long term, non trade and unquoted (At cost)			
1,000 Equity Shares of Rs.10/- each, fully paid up in Quartz Finance Private Limited		10,000	10,000
SCHEDULE 4 : CURRENT ASSETS, LOANS AND ADVANCES			
A. Current Assets : Bank Balances			
i) Balance in Current Account with Canara Bank		5,484	5,484
ii) Balance in Current Account with Bank of India		22,394	47,611
B. Loans and Advances (unsecured, considered good and recoverable in cash or in kind or for value to be received)			
		62,80,000	62,80,000
		63,07,878	63,33,095
SCHEDULE 5 : CURRENT LIABILITIES AND PROVISIONS			
A. Liabilities			
		46,956	68,961
B. Provisions			
		-	-
		46,956	68,961

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NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 ST MARCH 2010	
1. The accounts have been prepared on the basis of historical cost.	99.04% of the paid up capital of the Company.
2. Revenue recognition: The revenues and expenses are accrued as they are earned or incurred and recorded in the financial statements of the period to which they relate.	7. The Company has not accepted any public deposit and the Board resolution has also been passed to this effect. Since the entire investments are in one group companies as per Notification dated 31.01.1998 of Reserve Bank of India under Non-banking Financial Companies acceptance of Public Deposits (Reserve Bank) Directions, 1998, the provisions of Regulations of NBFCs are not applicable to this Company. However, the RBI has returned the Company's application for registration under RBI Act treating it as belated application.
3. The Company follows fundamental accounting assumption, viz. going concern, consistency and accrual.	8. The Company has no employees and hence no provision has been made for retirement benefits.
4. The long term investment has been valued at cost.	9. The Company had no outstanding dues to small scale industrial undertakings as at 31.03.2010.
5. The Company does not own any fixed assets. Further, since the Company is not likely to earn any profit in the foreseeable future, pursuant to Accounting Standard 22 issued by the Institute of Chartered Accountants of India no deferred tax asset or liability has been recognised.	10. Earnings and expenditure in foreign currency : Nil
6. The Company is a subsidiary of BPL Limited by virtue of latter's holding of 1,20,000 fully paid equity shares of Rs.10 each constituting	11. Payment to auditors for statutory audit : Rs.5,515
	12. Figures for previous year have been re-grouped or re-arranged wherever necessary to conform to the current year's presentation.
As per our report of even date annexed	
For Gowthama & Associates Chartered Accountants	For and on behalf of the Board
H V Gowthama Partner (M.No.14353) Bangalore 5th May, 2010	Thankam Nambiar Director Meena Nambiar Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE			
I. REGISTRATION DETAILS			
Registration No.	12981	State Code	08
Balance Sheet date	31.03.2010		
II. CAPITAL RAISED DURING THE YEAR (Amount : Rs. in thousands)			
Public issue	-	Rights issue	-
Bonus issue	-	Private placement	-
III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount : Rs. in thousands)			
Total Liabilities	226445	Total Assets	226445
SOURCES OF FUNDS			
APPLICATION OF FUNDS			
Paid up Capital	1212	Net Fixed Assets	-
Share forfeiture a/c	225000	Net Current Assets	6261
Secured Loans	-	Investments	10
Reserves & Surplus	-	Profit & Loss Account	220174
Unsecured Loans	233		
IV. PERFORMANCE OF COMPANY (Amount : Rs. in thousands)			
Turnover/Income	0.28	Total Expenditure	0.31
Profit before Tax	(0.03)	Profit after Tax	(0.03)
Earning per share (Rs.)	NIL	Dividend Rate (%)	NIL
V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (As per monetary terms)			
Item Code No. (ITC Code)		Product description	
Not applicable		Investment in shares	
As per our report of even date annexed			
For Gowthama & Associates Chartered Accountants		For and on behalf of the Board	
H V Gowthama Partner (M.No.14353) Bangalore 5th May, 2010		Thankam Nambiar Director Meena Nambiar Director	

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BPL Limited Regd. Office : BPL Works, Palakkad - 678 007, Kerala	ADMISSION SLIP
46th Annual General Meeting - 24th September, 2010 Venue : Sri Chackra International, Krishna Gardens, Chandranagar P.O., Palakkad - 678 007, Kerala, Time : 10.00 AM	
Folio No./Client ID No. :	No. of Shares held :
Please ✓ Whether	
<input type="checkbox"/> MEMBER	
<input type="checkbox"/> JOINT HOLDER	
<input type="checkbox"/> PROXY	
Member's or Proxy's Signature :	
Notes: 1. Members / Proxies must bring the admission slip duly completed and signed and hand over the same at the entrance. 2. Admission is restricted strictly for members and valid proxies only. Please bring your copy of the enclosed Annual Report. 3. Shareholders intending to require information about accounts, to be explained at the Meeting, are requested to inform the Company atleast a week in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.	

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BPL Limited Regd. Office : BPL Works, Palakkad - 678 007, Kerala	PROXY FORM
Folio No./Client ID No. :	No. of Shares held :
I/We, of..... in the district of being a member / members of BPL Limited , hereby appoint.....of in the district ofor failing him.....of in the district of	
as my / our proxy to vote for me / us on my / our behalf at the 46 th Annual General Meeting of the Company to be held at Palakkad on 24th September, 2010 and at any adjournment thereof.	
Signed, this..... day of 2010.	
Notes: 1. The form should be signed as per specimen signature registered with the Company. 2. The proxy form duly completed must reach the Registered Office of the Company at BPL Works, Palakkad 678 007, Kerala, atleast 48 hours before the Meeting. A Proxy need not be a member. 3. Shareholder/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;"> Affix 30 paise Revenue Stamp </div> Signature.....
For Office Use Only	Proxy No. :
Date of Receipt :	

If undelivered, please return to :
Investors' Service Cell
BPL Limited
11th KM, Arakere,
Bannerghatta Road,
Bangalore 560 076