



Empower Industries India Limited

26th
ANNUAL REPORT
2007-2008

Board Of Directors : Mr. Devang Master
Mr. Jilani Sheikh
Mr. R. S. Iyengar

Registered Office : 25/25A, 2nd Floor,
327, Nawab Building,
Dr. D. N. Road, Fort,
Mumbai-400 001.
Email : investors@empowerindia.in

Auditors : MRM & ASSOCIATES
(Chartered Accountants)

Compliance Officer : Ms. Jeethi Pillai

Bankers : Bank of India
Oriental Bank of Commerce
UCO Bank
Axis Bank

**Registrar &
Transfer Agent** : Sharex Dynamic India Pvt. Ltd.

EMPOWER INDUSTRIES INDIA LIMITED

NOTICE

NOTICE is hereby given to the Members of EMPOWER INDUSTRIES INDIA LIMITED that the Twenty-sixth Annual General Meeting of the Members of the Company will be held on **Tuesday, September 30, 2008 at 10.30 A.M. at 506, Midas Chambers, Near Fun Republic Multiplex, Off New Link Road, Andheri (West), Mumbai 400 053** to transact with or without modifications, the following items of business:

Ordinary Business:

1. To receive, consider, approve and adopt the Profit & Loss Account for the year ended March 31, 2008 and the Balance Sheet as of that date, together with the Reports of the Directors and Auditors thereon.
2. To declare dividend for the period under review.
3. To appoint a Director in place of Mr. Rajgopalan Iyengar, who retires by rotation, but being eligible, offers him for re-appointment.
4. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration

Special Business

5. To consider and, if thought fit, to pass the following resolution which will be proposed as Special Resolution:

"RESOLVED THAT subject to and in accordance with the provisions of Section 17 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Clause III A of the Memorandum of Association of the Company pertaining to the main objects to be pursued by the Company, be and is hereby altered by inserting the following new sub-clauses (3A), (3B) and (3C) after the existing sub-clause (3):

- 3A. To carry on in India and/or elsewhere in the world the business to generate, receive, produce, improve, buy, sell, resell, acquire, use, transmit, accumulate, employ, distribute, develop, handle, protect, supply and to act as agent, broker, representative, consultants, collaborator, or otherwise to deal in electric power in such place or places as may be permitted by appropriate authorities and establish power plants for generation of electricity through Hydroelectric energy, Geothermal energy, fossil fuel energy, Biomass energy, Solar energy, Wind energy, Fuel Cells energy, Ocean Thermal energy, Tidal energy and wave energy and other power plants based on any source of energy as may be developed or invented in future.

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- 3B. To construct, lay down, establish, promote, erect, build, install, commission, carry out and run all necessary power substations, work shops, repair shops, wires, cables, transmission lines, accumulators, street lights for the purpose of conservation, distribution and supply of electricity of participating industries, state electricity boards and other boards for industrial, commercial, domestic, public and other purposes and also to provide regular services for repairing and maintenance of all distribution and supply lines.
- 3C. To acquire concessions, facilities or licences from electricity boards, government, semi government or local authorities for generation, distribution, production, transmission or use of electric power and to take over along with all moveable and immovable properties, the existing facilities on mutually agreed terms from aforesaid authorities and to do all incidental acts and things necessary for the attainment of the foregoing objects.'

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to agree to such variation or modification(s) to the aforesaid objects as may be suggested by the Registrar of Companies, Maharashtra, Mumbai."

- 6 To consider and, if thought fit, to pass the following resolution which will be proposed as Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 81, 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any modification or re-enactment thereof, for the time being in force), subject to all applicable laws and in accordance with all relevant provisions of the Memorandum and Articles of Association of the Company and the Listing Agreement(s) entered into by the Company with the Bombay Stock Exchange Limited and also subject to all applicable Guidelines, Rules and Regulations of Central government, Reserve bank of India, Securities Exchange Control Board of India ((SEBI) and Bombay Stock Exchange (BSE) and also subject to their all such conditions and approvals in this behalf, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall include any committee constituted for the purpose) to offer issue and allot to any one or more persons being eligible foreign as well as Indian Investors, Non-resident Individuals and/or body(ies) corporate, Association of Persons, Banks, Financial Institutions and Others (hereinafter referred to as "Investors" and which term shall mean and include persons/bodies corporate/Associations of Indian as well as foreign origin and persons being Indian as well as foreign citizens), and whether such investors are existing equity shareholders of the Company or not) by way of circulation of an Offering Circular or Prospectus or by way of Private Placement or Preferential allotment of Fully Convertible Debentures/Bonds/GDRs and/or other suitable Debt instruments and Loans, in one or more currencies upto an aggregate principal amount equivalent to US \$ 12,500,000 (United States Dollars Twelve Million Five Hundred Thousand Only) (hereinafter referred to as "the Securities"), secured or

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unsecured, to be subscribed in Indian and/or one or more Foreign currencies, which at the option of the holders of the Securities and/or at the option of the Company, may be converted into equity shares of the Company, such Offer, issue and allotment of Securities and conversion of such securities into equity shares of the Company to be made in one or more tranches, at such prices and on such terms and conditions as may be decided at the time of offer, issue and allotment, by the Board in accordance with the Rules, Regulations, terms, conditions and guidelines prescribed by the Memorandum and Articles of Association of the Company, SEBI, BSE and the Companies Act, 1956.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any Securities referred to above or as may be necessary in accordance with the terms of Offering and such equity shares resulting from the said conversion of Securities, need not necessarily rank *pari passu* with the then existing equity shares of the Company but may carry such qualified rights with regard to voting rights and dividend, as may be decided by the Board of Directors at the time of conversion."

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue and allotment of Securities or equity shares arising out of conversion of such Securities, as described here in above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things as it may at its discretion deem necessary or desirable for such purpose and such authority to include authority to determine without any limitation or restriction, the terms, timings, the class of investors to whom the securities or shares are to be issued, the number of securities or shares to be issued in each trench, issue price, face value, premium amount on issue /conversion of securities, rate of interest, redemption period, etc, the utilization of issue proceeds and power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment, as it may in absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred here in above to any Committee of Directors or Managing Director or any director or any other Officer or Officers of the Company to give effect to the foregoing resolutions."

Notes:

1. Any Member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a Member. Proxies in order to be effective must be received by the Company not less than forty eight hours before the commencement of the Meeting. Proxy Form is enclosed.

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2. Explanatory Statements pursuant to Section 173 (2) of the Companies Act, 1956 setting out the material facts relating to items of Special Business, are attached hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, September 27, 2008 to Tuesday, September 30, 2008, both days inclusive.

Registered Office:

25/25A, 2nd Floor,
Nawab Building,
Opp. Thomas Cook,
327, Dr. D N Road,
Fort, MUMBAI 400001.

By ORDER OF THE BOARD,

Sd/-

(Director).

Dated: September 04, 2008.

EMPOWER INDUSTRIES INDIA LIMITED

EXPLANATORY STATEMENTS

(Pursuant Section 173 (2) of the Companies Act, 1956)

Item No: 5

At present the Company is engaged in the business of computer electronics, power electronics, and computer hardware/software development. With a view to enlarge the volume of business operations by entering into greener areas with the help of technology options available and thereby achieve substantial increase in the profitability of the Company, your Directors have decided to diversify into Renewable Energy generation segment. With a power generation capacity of 0.25 to 50 MW, the project calls for an investment of Indian rupees equivalent to US \$ 12 million.

In order to empower the Company to undertake this new operation, it is necessary to alter the III-A of the Objects Clause of the Memorandum of Association of the Company by inserting three sub-clauses, namely, (3A), (3B) and (3C) after the existing sub-clause (3) of Clause III-A. Your Directors feel that the new operations fall under the scope of Section 17 (1) (d) of the Companies Act, 1956, whereby the existing business of power electronics can be conveniently combined with the business of power generation to the total advantage and benefit of the Company. Your Directors, therefore, recommend this resolution for your approval. None of the Directors of the Company is materially interested in this item of business.

A copy of the Memorandum of Association of the Company is open for inspection by Members of the Company on all working days between 11.00 A.M. and 1.00 P.M.

Item No: 6

As mentioned earlier in the above explanatory statements, the Company is all set to undertake an expansion-cum-diversification programme concerning the segments of power electronics, digital electronics, computer hardware/software development and wind power generation. The total cost of the project is estimated at Indian rupees equivalent to US \$ 12.5 million and in order to raise such means, it has been proposed to approach investors/lenders through Private Offers for External Commercial Borrowings, GDRs, Fully Convertible Debentures and/or other instruments as the Directors may find expedient. Such offer, issue and allotment of FCDs/GDRs/shares will be subject to the Memorandum and Articles of Association of the Company, the Companies Act, 1956, Rules, Regulations and guidelines formed by SEBI, Central Government, Reserve Bank of India and also the conditions of the Listing Agreement with the Bombay Stock Exchange Limited.

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As the shares resulting from the conversion of instruments may be issued and allotted to persons other than the existing equity shareholders, it is necessary to pass the resolution under this item, as compliance of Section 81 (1A) of the Companies Act, 1956. Your Directors, therefore, recommend this resolution for your approval by way of a Special resolution. None of the Directors are interested in this item of business.

A copy of the Listing Agreement with BSE is open for inspection by Members of the Company on all working days between 11.00 A.M. and 1.00 P.M.

None of the Directors is concerned or interested in this resolution.

Registered Office:

25/25A, 2nd Floor,
Nawab Building,
Opp. Thomas Cook,
327, Dr. D N Road,
Fort, MUMBAI 400001.

By ORDER OF THE BOARD,

Sd/-

(Director).

Dated: September 04, 2008.

EMPOWER INDUSTRIES INDIA LIMITED

DIRECTORS' REPORT

To,
The Members of Empower Industries India Limited,

Your Directors are pleased to submit their 26th Report together with the audited Statements of Accounts for the year ended March 31, 2008.

1. FINANCIAL RESULTS:

(Rs. in Lacs)

Sr.No	Particulars	Year ended March 31	
		2008	2007
a	Income from Sales	7367.43	5,053.88
b	Operating Expenditure	7293.23	4,977.67
c	Operating Profit	74.18	76.21
d	Profit before Depreciation & Taxes	74.18	76.21
f	Depreciation	56.22	46.18
g	Profit before taxes	17.96	30.03
h	Provision for taxes	2.25	4.10
i	Deferred Tax	(3.31)	(4.50)
j	Net Profit for the year	19.03	30.43
k	Balance from previous year	324.49	304.32
l	Amount available for appropriation	343.53	334.76
m	Appropriation towards Dividend	2.50	9.00
n	Tax on Dividend	0.42	1.26
o	Balance carried to Balance Sheet	340.60	324.49

The Sales Income for the year under review increased to Rs.7,367.43 Lacs from Rs.5,053.88 Lacs for the previous year, registering an increase of 45.78%. The operating profit for the year touched Rs.74.18 Lacs.

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2. DIVIDEND:

Based on the satisfactory performance of the Company, your Directors have recommended a Dividend @5% for your approval.

3. CURRENT OPERATIONS:

The current year augurs well for the Company and with a sound Order position, your Directors are pleased to inform you that the turn over for the current year is well poised to cross Rs.100.00 Crores. The Company has made a break through in the area of HR outsourcing and has built up a good clientele including Infotech giants like WIPRO, IL & FS, besides other clients like Axis Bank and IDBI-Fortis. The Company is in the process of finalizing certain strategic business alliances in the field of digital lifestyle products and has plans to establish distribution channels throughout the country. Your Directors are of the opinion that the finalization of the said alliances will account for substantial increase in the volume of business and profitability of the Company.

4. RENEWABLE ENERGY GENERATION PROJECT:

As mentioned in the last Report, your Company is in the process of entering into the energy generation field by establishing or taking over wind farms with an initial capacity of 10 MW.

5. DEPOSITS:

During the year under review, the Company did not accept any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules framed thereunder.

6. PARTICULARS OF EMPLOYEES:

None of the employees of the Company come under the purview of Section 217 (2A) of the Companies Act, 1956 and the Rules framed thereunder.

7. DIRECTORS:

Mr. Rajgopalan Iyengar retires by rotation and being eligible offers himself for reappointment. Your Directors recommend his reappointment.

8. AUDITORS:

The retiring Auditors M/s.MRM & Associates, Chartered Accountants are eligible for re-appointment and your Directors recommend their re-appointment.

EMPOWER INDUSTRIES INDIA LIMITED

9. DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors would like to inform the members that the audited accounts containing the Financial Statements for the year ended March 31, 2008 are in full conformity with the requirement of the Act and they believe that the financial statements reflect fairly the form and substance of the transactions carried out during the year and reasonably present the Company's financial condition and results of operations. These financial statements have been audited by the Statutory Auditors MRM & ASSOCIATES, Chartered Accountants.

Your Directors further confirm that:

In the preparation of the annual accounts, applicable accounting standards have been followed;

The accounting policies are consistently applied and reasonable, prudent, judgment and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year;

The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; and

The Directors had prepared the annual accounts on a going concern basis.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956 (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS), RULES, 1988.

A. Conservation of Energy:

The operations of the Company involve low energy consumption. There are no major areas where any energy conservation measures can be taken. However, efforts are being made to conserve and optimize the use of energy in regular operations.

B. Technology absorption:

As the Company is yet to set up a regular Research & Development facility, there is no technology development or absorption during the year under review. Also, no technology has been imported under any foreign collaboration or otherwise.

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C. Foreign Exchange Earnings & Outgo:

The Company has no Foreign Exchange Earnings or Expenditure during the year under review.

11. ACKNOWLEDGEMENTS:

The Directors place on record their sincere thanks to the Customers, Vendors, Investors, Business Associates, Bankers, R & T Agents of the Company and the Bombay Stock Exchange Ltd for their excellent support extended to the Company.

Place: MUMBAI

**For & on behalf of
the Board of Directors,**

Date: September 04, 2008

Sd/-

(CHAIRMAN)

EMPOWER INDUSTRIES INDIA LIMITED

AUDITORS' REPORT

To,
The Members of
EMPOWER INDUSTRIES INDIA LIMITED.

1. We have audited the attached Balance Sheet of EMPOWER INDUSTRIES INDIA LIMITED as at 31st March 2008 and also the annexed Profit and Loss Account and cash flow statement of the Company for the year ended on that date which we have signed under reference to this report. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by Companies (Auditors' Report) (Amended) Order, 2004 (together the Order) issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit,
We give in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to our comments in the Annexure referred to in paragraph (3) above and subject to Para no 9, 11, 16 and 17 of the Notes to Accounts,

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper Books of account as required by law have been kept by the company so far as appears from our examination of such books;
- c) The Balance Sheet and Profit and Loss Account dealt with this report are in agreement with the books of account.

EMPOWER INDUSTRIES INDIA LIMITED

- d) In our opinion, the Balance Sheet and Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred in section 211(3C) of the Companies Act, 1956.
- e) On the basis of written representations received from the directors and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2008 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 account read with the significant accounting policies and notes thereon give the information required by the Companies Act, 1956: in the manner so required and give a true and fair view in conformity with the accounting principals generally accepted in India
- I. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2008.
- II. In the case of the Profit and Loss Account, of the Profit of the Company for the period ended on that date.
- III. In the case of the cash flow statement, of the cash flows for the period ended on that date.

Place: Mumbai

Date: 26th June, 2008

For **MRM & Associates.**
Chartered Accountants

Sd/-

Mradula R Maheshwari
Proprietor

EMPOWER INDUSTRIES INDIA LIMITED

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 3 of the report of the Auditors to the members of **EMPOWER INDUSTRIES INDIA LIMITED** on the account for the year ended 31st March 2008.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) The fixed assets of the Company are physically verified by the management at regular interval which in our opinion is reasonable having regard to the size of the Company and the nature of Fixed Assets. We are informed that there is no discrepancy noticed on such physical verification.
- (c) In our opinion, and according to the information and explanations given to us, substantial part of the fixed assets has not been disposed off by the Company during the year.
2. (a) The inventory of the Company has been physically verified during the period by the management. In our opinion 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 Company during the year and the nature of its business.
- (c) On the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records of inventory. We are informed that there are no discrepancies noticed on such physical verification.
3. (a) The Company, during the period covered by our audit, has not granted secured or unsecured loans to companies covered in the Register maintained under Sections 301 of the Companies Act, 1956.
- (b) The Company, during the period covered by our audit, has not taken secured or unsecured loans from companies covered in the register maintained under section 301 of the Act.
- (c) The Company has not taken any loan hence question of repayment of loan or payment of interest does not arise.
- (d) The Company has not given any loan hence question of overdue of such loan does not arise.
4. In our opinion and according to the information and explanations given to us, having regard to the explanations that certain items purchase are of special nature for which suitable alternative sources do not exist for obtaining competitive

EMPOWER INDUSTRIES INDIA LIMITED

quotations, there are adequate internal control procedures commensurate with the size & nature of business of Company for the purchase of inventory, fixed assets and sales of goods. Further on the basis of our examinations and information and according to the explanations given to us, we have neither come across nor have we been informed of any instance of measure weaknesses in the aforesaid internal control procedures.

5. Based on audit procedure applied by us and the information and explanation provided by management, we are of the opinion that there were no transactions during the year that, need to be entered in the Register maintained under section 301 of the Companies Act 1956.
6. Based on our scrutiny of the Company's records and according to the information and explanations provided by management, in our opinion, the Company has not accepted any deposits under section 58A and 58AA of the Act and Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. We have been informed by management, no cost records have been prescribed under Section 209 (1)(d) of the Companies Act, 1956.
9. (a) According to the records of the company the company is generally regular in depositing undisputed statutory dues including Provident Fund, Investors' Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom duty, excise duty, cess and other material statutory dues as applicable have been regularly deposited by the company during the year with the appropriate authorities. According to information and explanations given to us, no undisputed amounts payable were outstanding at the year end for a period of more than 6 months from the date they become payable except Income Tax payable for the Assessment Year 2007-08 of Rs. 4,10,218/-.
- (b) According to information and explanations given, there were no disputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Custom duty, Excise duty, cess, which have been outstanding as at 31st March 2008.
10. The Company has neither accumulated losses as at March 31, 2008 nor has it incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the company, company has not borrowed from financial institution or bank or issued debentures till 31st March, 2008. Hence, in our opinion, the question of reporting defaults in repayment of dues to financial institution or bank or debentures does not arise.

EMPOWER INDUSTRIES INDIA LIMITED

12. According to the records of the company, 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. In our opinion considering the nature of activities carried on by the company during the year, the provisions of any special statute applicable to chit fund/ nidhi / mutual benefit funds / societies are not applicable to the company.
14. As per records of the Company and the information and explanation given to us by the management, Company is not dealing or trading in shares, securities, debentures and other investments.
15. As per records of the company and the information and explanation given to us by the management, the company has not given any guarantees for loans taken by others from banks or financial institutions.
16. According to the records of the company, the company has not obtained any term loans. Hence, comments under the clause are not called for.
17. Based on the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on a short-term basis have been used for long-term investment by the company.
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 during the year.
19. According to the records of the Company, the Company has not issued any debentures.
20. The company has not raised any money by public issue during the year.
21. During the Course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on nor by the Company, noticed or reported during the year nor have we been informed such case by the management.

For **MRM & Associates.**
Chartered Accountants

Place: Mumbai

Sd/-

Date: 26th June, 2008

Mradula R Maheshwari
Proprietor

EMPOWER INDUSTRIES INDIA LIMITED

Balance Sheet As At 31st March 2008

Particulars	Sch	Amount		Amount	
		Rs.	As At 31/03/2008	Rs.	As At 31/03/2007
I. SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Capital	1	5000000.00		5,000,000.00	
Reserves & Surplus	2	34,085,394.19	39,085,394.19	32,474,396.78	37,474,396.78
			39,085,394.19		37,474,396.78
II. APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block		39,374,300.00		31,978,800.00	
Add: Addition During the Year		7,047,250.00		7,395,400.53	
Less: Depreciation		34,843,147.69		29,221,094.12	
Net Block	3		11,578,402.31		10,153,206.41
INVESTMENTS					
	4		10,065,200.00	65,200.00	65,200.00
CURRENT ASSETS, LOANS & ADVANCES					
Inventories	5	22,833,354.49		8,569,253.00	
Sundry Debtors	6	331,701,054.76		129,708,809.81	
Cash & Bank Balance	7	2,092,213.06		2,200,612.79	
Loans, Advances & Deposits	8	3,375,248.14		34,855,262.00	
		359,801,868.45		175,333,937.60	
Less:					
CURRENT LIABILITIES & PROVISIONS					
Liabilities	9	341,432,296.52		147,667,729.05	
Provisions	10	927,780.04		410,218.20	
NET CURRENT ASSETS			17,441,701.68		27,255,990.35
MISCELLANEOUS EXPENDITURE					
a) To the extent not written off or adjusted					
b) Profit and Loss account					
			39,085,394.19		37,474,396.78
Statement of significant accounting policies & Notes to the Accounts	17				

As per our report of even date attached

For MRM & Associates

Chartered Accountants

Sd/-

Mradula R. Maheshwari

Proprietor

Place : Mumbai

Date : 26th June, 2008

For & On Behalf of the Board of directors

Sd/-

Director

Place : Mumbai

Date : 26th June, 2008

Sd/-

Director



EMPOWER INDUSTRIES INDIA LIMITED

Profit & Loss Account For The Period ended 31st March 2008

Particulars	Sch	Amount	
		As At	As At
		31/03/2008	31/03/2007
Income			
Sales	11	736,741,984.88	505,388,002.50
Other Income	12	-	-
		736,741,984.88	505,388,002.50
Expenditure			
Materials Cost	13	739,160,594.16	504,689,516.00
(Increase)/Decrease in Stock	13	(14,064,101.49)	(8,134,483.00)
Administrative Expenses	14	1,140,949.46	629,963.05
Personnel Expenses	15	3,048,561.00	410,482.00
Income tax		-	162,864.15
Financial Charges	16	37,178.11	6,463.34
		729,323,181.24	497,786,637.52
Profit Before Tax & Depreciation:		7,410,803.64	7,621,364.98
Depreciation		(5,622,053.72)	(4,618,193.20)
Profit After Depreciation & Before Tax		1,788,749.92	3,003,171.68
Profit Before Tax		1,788,749.92	3,003,171.68
Provision for Tax		205,352.34	399,009.20
Provision for Fringe Benefit Tax		19,722.00	12,209.00
Deferred Tax		(331,809.36)	(450,416.46)
Profit After Tax		1,903,684.03	3,043,369.98
Brought forward Profit from previous year		32,449,398.76	30,432,251.81
Profit Available For Appropriations		34,362,881.09	33,475,621.76
Appropriations			
Interim Dividend paid		(250,000.00)	(900,000.00)
Dividend Tax Paid		(42,487.50)	(126,225.00)
Balance Carried Forward to Balance Sheet		34,080,384.10	32,449,398.76
Profit Considered for arriving at EPS		1,903,484.93	3,043,369.95
Basic and diluted earning per Share		0.38	0.61
Number of Shares used in computing basic and Diluted Earning Per Share		5,000,000	5,000,000
Statement of significant accounting policies & Notes to the Accounts	17		

As per our report of even date attached

For MRM & Associates

Chartered Accountants

Sd/-

Mradula R. Maheshwari

Proprietor

Place : Mumbai

Date : 26th June, 2008

For & On Behalf of the Board of directors

Sd/-

Director

Place : Mumbai

Date : 26th June, 2008

Sd/-

Director

EMPOWER INDUSTRIES INDIA LIMITED

Schedules Forming Part of The Balance Sheet As At 31st March 2008.

Particulars	Amount	
	As At 31/03/2008	As At 31/03/2007
<u>Schedule - 1 :- Share Capital</u>		
Authorised Share Capital		
2,00,00,000 Equity Shares of Re. 1/- each	20,000,000.00	10,000,000.00
Issued, Subscribed & Paid Up Capital		
50,00,000 Equity Shares of Re. 1/- each fully paid up	5,000,000.00	5,000,000.00
	5,000,000.00	5,000,000.00
<u>Schedule - 2 :- Reserves & Surplus</u>		
General Reserve		
As per last Balance Sheet	25,000.00	25,000.00
Profit & Loss Account	34,060,394.19	32,449,396.76
	34,085,394.19	32,474,396.76
<u>Schedule - 4 :- Investment (At Cost)</u>		
<u>Quoted</u>		
Praneta Lease & Finance Ltd		
(65200 Equity shares each of face value Re.1/-Fully Paid, Previous Year 65200 each of Re. 1/-) (Market price Rs.57376 /- as per BSE)	65,200.00	65,200.00
<u>Unquoted</u>		
Prestige Feed Mill Ltd.		
(100000 shares of Rs.10/- @ premium Rs.90/-)	10,000,000.00	
	10,065,200.00	65,200.00
<u>Schedule - 5 :- Inventories (At Cost)</u>		
Inventories		
(As taken Valued and Certified by the Management)	22,633,354.49	8,569,253.00
	22,633,354.49	8,569,253.00
<u>Schedule - 6 :- Sundry Debtors</u>		
<u>(Unsecured & Considered Good)</u>		
Debts outstanding for a period exceeding Six Months		
Others	14,939,225.29	18,143,514.33
	316,761,829.47	111,565,295.48
	331,701,054.76	129,708,809.81
<u>Schedule - 7:- Cash & Bank Balance</u>		
Cash on Hand		
	1,184,728.82	589,409.43
Bank Balance with Schedule Banks		
In Current Account	907,484.24	1,611,203.36
	2,092,213.06	2,200,612.70

EMPOWER INDUSTRIES INDIA LIMITED

Schedules Forming Part of The Balance Sheet As At 31st March 2008.

Schedule 3 : Fixed Assets

(Rupees)

Particulars	GROSS BLOCK			Depreciation			Net Block	
	Opening	Addition /	Total	Opening	During	Closing	Closing as	Closing as
	01/04/2007	(Deduction)		01/04/2007	the year		on	on
Computers and Computers Peripherals	39,368,300	7,039,150	46,407,450	29,220,408	5,620,184	34,840,602	11,566,848	10,147,692
Office Equipment (T.V)	6,000	8,100	14,100	686	1,860	2,546	11,554	8,314
	39,374,300	7,047,250	46,421,550	29,221,094	6,622,034	34,843,148	11,578,402	10,153,206
Previous Year	31,878,900	7,395,401	39,274,301	24,602,801	4,618,103	29,221,084	10,153,206	7,375,889

Schedules Forming Part of The Balance Sheet As At 31st March 2008.

Particulars	Amount	
	As At 31/03/2008	As At 31/03/2007
<u>Schedule - 8 :- Loans & Advances</u>		
Loans & Advances		
Advances Recoverable in Cash or Kind	3,338,284.14	34,643,300.00
Deposits	36,962.00	211,962.00
	3,375,246.14	34,855,262.00
<u>Current Liabilities & Provisions</u>		
<u>Schedule - 9 :- Liabilities</u>		
Sundry Creditors for Goods	333,933,655.06	145,481,157.55
Sundry Creditors for Expenses	311,912.13	65,635.50
Due to Directors - Current A/c's	7,267,968.00	1,902,271.00
Duty & Taxes	(81,238.67)	218,665.00
	341,432,296.52	147,667,729.05
<u>Schedule - 10 :- Provisions</u>		
Provisions for Income Tax	635,292.54	410,218.20
Proposed Dividend	250,000.00	
Provision for Tax on Dividend	42,487.50	
	927,780.04	410,218.20

EMPOWER INDUSTRIES INDIA LIMITED

Schedule forming Part of Profit & Loss Account For The Period Ended 31st March 2008.

Particulars	Amount	
	As At 31/03/2008	As At 31/03/2007
<u>Schedule - 11:-Sales</u>		
Hardware Sales	5,913,306.61	482,890.00
Software Package Sales	7,29,075,867.60	504,905,112.50
HR Services	1,494,099.17	-
Telecom Sales	258,711.46	-
	736,741,984.88	505,388,002.50
<u>Schedule - 12:- Other Income</u>		
Telecom Sales	-	-
	-	-
<u>Schedule - 13:- Material Cost</u>		
Hardware -		
Purchases of Networking Products & Peripherals	5,650,419.95	-
	A 5,650,419.95	-
Software Packages		
Purchases	733,094,858	504,689,518.00
	B 733,094,858.27	504,689,518.00
HR Services Cost		
Purchase	200,833.00	-
	C 200,833.00	-
Telecom		
Purchases	214,482.94	-
	D 214,482.94	-
	A+B+C+D 739,160,594.16	504,689,518.00
(Increase)/Decrease in Stock		
Opening Stock	8,569,253.00	434,770.00
Closing Stock-Hardware		
Laptop, Networking products & peripherals	22,633,354.49	3,569,253.00
	(14,064,101.49)	(8,134,483.00)

EMPOWER INDUSTRIES INDIA LIMITED

Schedule forming Part of Profit & Loss Account For The Period Ended 31st March 2008.

Particulars	Amount	
	As At 31/03/2008	As At 31/03/2007
<u>Schedule - 14:- Administrative Expenses</u>		
Conveyance, Travelling & Vehicle Expenses	81,834.35	144,035.29
Donation	3,000.00	-
Electricity Charges	153,527.00	19,665.00
Furniture Hire Expenses	42,000.00	91,000.00
Legal, Professional and Other Charges	225,757.00	80,338.96
Communication Expenses	229,310.66	85,627.81
Printing and Stationery	63,868.25	41,687.50
Rent	169,000.00	112,800.00
Repairs & Maintenance	22,109.00	6,950.00
Office Expenses	111,473.00	26,336.49
Business promotion	2,063.00	-
Discount Allowed	14,782.00	-
Remuneration To Auditors	19,000.00	19,000.00
Rates and Taxes	3,205.00	2,500.00
	1,140,949.46	629,963.05
<u>Schedule - 15:- Personnel Expenses</u>		
Salary & Wages	3,011,211.00	381,303.00
Staff Welfare Expenses (in Office Premises)	37,350.00	29,189.00
	3,048,561.00	410,492.00
<u>Schedule - 16:- Financial Charges</u>		
Bank Charges	37,178.11	8,483.34
	37,178.11	8,483.34

EMPOWER INDUSTRIES INDIA LIMITED

Financial Period Ended 31st March 2008.

Schedule 17

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS.

A] SIGNIFICANT ACCOUNTING POLICIES;-

1. Basis of Preparation of Financial Statements

- a. The financial statements have been prepared under the historical cost convention basis in accordance with the Accounting Standards and the provisions of the Companies Act, 1956, subject to what is stated herein below, as adopted consistently by the company.
- b. The company has generally followed mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation.

3. Depreciation

Depreciation on Fixed Assets has been calculated on written down value at the rate prescribed under schedule XIV of the Companies Act, 1956.

4. Investments

Long-term investments are stated at cost. Provision for diminution in the value of Long Term Investment is made only if such a decline is other than temporary, in the opinion of the management.

5. Inventories

Items of inventories are valued at cost or net realizable value which ever is lower. Cost of Inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing them to their present location and condition.

The Valuation of inventories has been made on FIFO Method and there is no change in valuation from the previous year.

EMPOWER INDUSTRIES INDIA LIMITED

Financial Period Ended 31st March 2008.
Schedule 17

6. Gratuity

Provision for Gratuity Liability is not made since none of the employees have completed 5 years of service.

7. Taxation

Provision for Income tax is made on the basis of relevant provisions of the Income Tax Act, 1961 as applicable to the financial year.

Deferred income taxes are recognized for the future tax consequences attributable to timing differences between the financial statement determination of income and their recognition for tax purposes.

8. Revenue recognition

The company recognizes revenue on dispatch of goods to customers for Hardware Sales and for Software on the raising the bill to the clients. Revenue is recorded at net invoice value.

B] NOTES TO ACCOUNTS: -

9) There is a claim of Rs. 150,000/- from SEBI under compliance of Substantial Acquisition & Takeover Regulation of Shares & Takeover Regulation, 1997. The Company has made the payment for the same.

10) Auditors Remuneration: -

	31/03/2008	31/03/2007
a. Statutory Audit Fees.	Rs. 9,500.00	Rs. 9,500.00
b. Tax Audit Fees	Rs. 9,500.00	Rs. 9,500.00
	<hr/>	<hr/>
	Rs. 19,000.00	Rs. 19,000.00

11) The various balances (Debit and Credit) appearing in the Balance sheet are unconfirmed and are stated as certified by the Management and as recorded in the Books.

EMPOWER INDUSTRIES INDIA LIMITED

12) Related Party Disclosure

As per Accounting Standard-18 "Related party Disclosures" comes into effect in respect of accounting periods commencing on or after 01.04.2002, According to information and explanation given to us by management no loans and advances and other transaction has been given to the related parties.

13) Sundry Debtors, Creditors, Loans & Advances are stated at the ordinary course of business. In case of irrecoverable, un-reconciled, inter party transfer, debit note, credit note of sundry debtors, creditors, loans & advances, are stated as per management's judgments/decision, final settlement of accounts with the parties are subject to confirmation.

14) As per information and explanation given by the Management, Advances given to various parties are trade advances hence no interest has been provided during the year. We are further informed that during the year no loans and advance have been given to any director/s, relatives and under the same management concerns directly or indirectly.

15) The value of expenditure & earnings in foreign currency (previous Year Nil) are;

Expenditure
(Rupees)
Nil

Earnings
(Rupees)
Nil

16) Expenditure in respect of which third party evidences were not produced for our verification, are verified from vouchers prepared and certified by the management and are as recorded in the books.

17) As informed to us by the management that loans and advances are given is Interest free hence no interest has been provided during the year.

18) Details of Opening & closing stocks of goods along with Purchases & sales of goods traded in by the Company.

EMPOWER INDUSTRIES INDIA LIMITED

Opening Stock	31.03.2008		31.03.2007	
<u>Items</u>	<u>Qty./Nos.</u>	<u>Value (Rs.)</u>	<u>Qty./Nos.</u>	<u>Value (Rs.)</u>
Hardware & Peripherals	14	196644	81	434770
Software Packages	97	8372609	Nil	Nil
	<u>111</u>	<u>8569253</u>	<u>81</u>	<u>434770</u>
<u>Purchases</u>				
Hardware Peripherals	161	5650420	Nil	Nil
Software Packages	6309	733094858	5511	504689518
Other Purchase (Telecom & HR)	Nil	415316	Nil	Nil
	<u>6470</u>	<u>739160594</u>	<u>5511</u>	<u>504689518</u>
<u>Sales</u>				
Hardware Peripherals	156	5913307	67	32890
Software Packages	6214	729075868	5417	504905113
Other Sales (Telecom & HR)	Nil	1752811	Nil	Nil
	<u>6370</u>	<u>736741985</u>	<u>5484</u>	<u>505388002</u>
<u>Closing Stock</u>				
Hardware & Peripherals	19	346633	14	196644
Software Packages	192	22286722	97	8372609
Stock Others	Nil	Nil	Nil	Nil
	<u>211</u>	<u>22633355</u>	<u>111</u>	<u>8569253</u>

19) Earning Per Share

a. Net Profit after tax available for Equity Shareholders **Rs.1,903,485**

(Numerator used for Calculation)

b. No. Of Equity Shares used 50,00,000
Equity as Denominator for Calculation of EPS Shares

c. Earning per Share Rs. 0.38
(Equity Shares of face value of Re. 1/- each)

20) Remuneration Paid to the Directors is Rs. 350000/-
(Previous Year Rs. 180000/-)

EMPOWER INDUSTRIES INDIA LIMITED

21) As per clause 4D of part 11 of Schedule VI of the Companies Act, 1956

- Value of Import on CIF Basis Nil Expenditure in Foreign Currency Nil
- Value of Import during the Year Nil Amount remitted during the year Nil
- Earning in Foreign Currency Nil

22) Previous year figures are rearranged and regrouped wherever necessary.

As per Report of Even Date Attached

FOR MRM & Associates.
Chartered Accountants

Sd/-
Mradula R Maheshwari
Proprietor

Place Mumbai

Date : 26/06/2008

For & On Behalf of the Board of Directors

Sd/-
Devang Master
Director

Place : Mumbai

Date : 26/06/2008

Sd/-
R.S. Iyengar.
Director

EMPOWER INDUSTRIES INDIA LIMITED

Cash Flow Statement Annexed to the Balance Sheet As At 31st March 2008

	2007 - 2008 Rupees	2006 - 2007 Rupees
a. Cash Flow From Operating Activities		
Net Profit/(Loss) After tax as per Profit & Loss Account	1,903,684.85	3,040,389.85
Adjusted for:		
Current year tax provision	208,362.34	386,009.20
Deferred Tax Provisions	(331,009.36)	(460,416.46)
Provision for Fringe Benefit Tax	19,722.60	12,209.06
Depreciation	5,822,063.72	4,918,189.29
Operating Profit Before Working Capital Changes	7,610,000.94	7,921,384.86
(Increase)/Decrease in Inventories	(14,064,101.48)	(9,134,463.00)
(Increase)/Decrease in Sundry Debtors	(201,992,244.96)	(97,693,762.04)
(Increase)/Decrease in Loans & Advances	31,480,016.86	(122,869.47)
Increase/(Decrease) in Liabilities	193,764,667.47	107,700,712.53
(Increase)/Decrease in Provision except Income Tax Liabilities	331,809.33	460,416.46
Cash Generated from Operation	19,830,049.86	0,864,368.48
Taxes Paid		(15,321.00)
Extra Ordinary Item as Advance from Customers written Back		-
	19,830,049.86	0,849,047.48
b. Cash Flow From Investing Activities		
Purchase of Fixed Assets	7,047,260.00	7,895,400.83
Investment	10,000,000.00	-
	17,047,260.00	7,895,400.83
c. Cash Flow From Financing Activities		
Interim Dividend Paid (including Tax Paid on Distributed Profits)	-	(1,020,225.00)
(Payment)/Proceeds from Unsecured Loan	-	-
	-	(1,020,225.00)
Net Increase in Cash & Cash Equivalents	(162,350.73)	1,019,418.23
Add: Cash & Cash Equivalents at the beginning of the year	2,200,812.79	781,198.20
Cash & Cash Equivalents at the end of the year	2,038,462.06	2,800,616.43

For & On Behalf of the Board of Directors

Sd/-
Director

Sd/-
Director

Place: Mumbai

Date: 26th June, 2008

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of Empower Industries India Limited (formerly known as Harley Industries Limited) for the period ended 31st March 2008. The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of Listing Agreements with the Stock Exchange & is based on & in agreement with the corresponding Profit & Loss Account & Balance Sheet of the Company covered by our Report on 26th June, 2008 to the Members of the Company.

For MRM & Associates
Chartered Accountants

Sd/-
Virendra R. Chavhan
Proprietor
Place: Mumbai
Date: 26th June, 2008

EMPOWER INDUSTRIES INDIA LIMITED

Registered Office : 25/25A, 2nd Floor, Nawab Building, Opp. Thomas Cook,
327, Dr. D N Road, Fort, MUMBAI 400001.

PROXY FORM

Folio No./Client ID No. _____ DP-ID No. _____

I/We _____
of _____ being
member(s) of the above named Company hereby appoint _____
of _____
of _____

as my/our proxy to attend and vote for me/us on my/our behalf at the 26th Annual General meeting of the
Company, to be held on Tuesday, the 30th September 2008 at 10.30 a.m. and any adjournment(s) thereof.

Signed this _____ day of _____, 2008.

Signature _____



ATTENDANCE SLIP

I hereby record my presence at the Annual General Meeting of the above named Company being held on Tuesday
30th September 2008 at 10.30 a.m. at

Folio No. or DP-ID No / Client ID No.

No. of Shares held

Name of the Member
(in Block Capitals)

- Notes :
1. A member / Proxy / Authorised Representative wishing to attend the meeting must complete the attendance slip and hand it over at the entrance of the meeting hall.
 2. If you intend to appoint a proxy, please complete, stamp, sign and deposit the proxy form given above at the Registered office at least 48 hours before the Meeting.



Empower Industries India Limited

25/25A, 2nd Floor, Nawab Building, 327, D. N. Road, Fort, Mumbai - 400 001.

Ph.: 2204 5044 / 2204 5055 Fax : 2204 5445

Email : investors@empowerindia.in