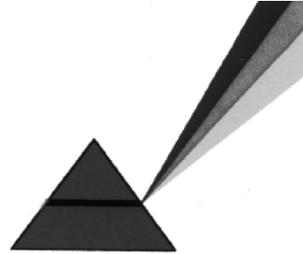


**PRISM FINANCE LIMITED**



**18<sup>TH</sup>  
ANNUAL REPORT 2011-2012**

**EIGHTEENTH ANNUAL REPORT 2011-12**

**BOARD OF DIRECTORS** : **Mr. Kashyap R. Mehta** *Director*  
**Ms. Anal R. Desai** *Director*  
**Mr. Naresh P. Rawal** *Director*

**BANKERS** : **HDFC Bank Limited**  
Ahmedabad

**AUDITORS** : **M/s. Shah & Shah Associates,**  
Chartered Accountants,  
Ahmedabad

**REGISTERED OFFICE** : 301, Iscon Mall,  
Above Star Bazar,  
Satellite Road,  
Ahmedabad - 380 015

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**NOTICE**

**NOTICE** is hereby given that the EIGHTEENTH ANNUAL GENERAL MEETING of the members of PRISM FINANCE LIMITED will be held as scheduled below:

Date : 26<sup>th</sup> September, 2012  
Day : Wednesday  
Time : 11.00 a. m.  
Place : Registered Office of the Company at:  
301, Iscon Mall, Above Star Bazar, Satellite Road,  
Ahmedabad – 380 015.

to transact the following business:

**ORDINARY BUSINESS :**

1. To receive and adopt Audited Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2012 and the Balance Sheet as on that date along with Directors' Report thereon.
2. To appoint a Director in place of Mr. Kashyap R. Mehta, who retires by rotation and, being eligible, offers himself for re appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

**Registered Office:**  
301, Iscon Mall,  
Above Star Bazar,  
Satellite Road,  
Ahmedabad-380 015.  
Date : 16<sup>th</sup> July, 2012

By the Order of the Board,

**Kashyap R. Mehta**  
*Director*

**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 PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
2. Pursuant to section 154 of the Companies Act, 1956, Register of Members and Shares Transfer Books of the Company will remain closed from Saturday, the 8<sup>th</sup> September, 2012 to Wednesday, the 26<sup>th</sup> September, 2012 (both days inclusive).
3. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
4. Members are requested to:
  - a) Intimate, if Shares are held in the same name or in the same order and names, but in more than one account to enable the Company to club the said accounts into one account.
  - b) Notify immediately the Change if any, in the registered address, to the Company.

**Registered Office:**  
301, Iscon Mall,  
Above Star Bazar,  
Satellite Road,  
Ahmedabad-380 015.  
Date : 16<sup>th</sup> July, 2012

By the Order of the Board,

**Kashyap R. Mehta**  
*Director*

## PRISM FINANCE LIMITED

### DIRECTORS' REPORT

Dear Shareholders,

The Directors present the SEVENTEENTH ANNUAL REPORT together with the Audited Statement of Accounts for the Financial Year 2011-12 ended 31<sup>st</sup> March, 2012.

#### 1. FINANCIAL RESULTS:

| Particulars                                | (Rs.in Lacs) |         |
|--|--------------|---------|
|  | 2011-12      | 2010-11 |
| Profit before Depreciation                 | 19.64        | 33.21   |
| Less: Depreciation                         | 6.83         | 6.83    |
| Profit before Taxation                     | 12.81        | 26.38   |
| Less: Provision for Taxation               | 4.80         | 4.30    |
| Add : Deferred Tax (Asset)                 | -            | -       |
| Profit after Tax                           | 8.01         | 22.08   |
| Balance brought forward from previous year | 168.96       | 146.88  |
| Balance carried to Balance Sheet           | 176.97       | 168.96  |

#### 2. DIVIDEND:

With a view to conserve the resources for the working capital requirement of the Company, the Board of Directors have not recommend any dividend on the Equity Shares for the year under review.

#### 3. OPERATIONS:

The Company earned Profit before Depreciation of Rs. 19.64 lacs during the year under review compared to Profit of Rs. 33.21 lacs during 2010-11. After providing for Depreciation and for Deferred Tax, the Net Profit during the year under review was Rs. 8.01 lacs compared to Net Profit of Rs. 22.08 lacs during 2010-11.

#### 4. DIRECTORS:

One of your Directors viz. Mr. Kashyap R. Mehta retires by rotation in terms of the Articles of Association of the Company. He, however, being eligible offers himself for reappointment.

#### 5. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at 31<sup>st</sup> March, 2012 being end of the Financial Year 2011-12 and the Profit of the Company for the year;
- (iii) that the Directors had taken proper and sufficient care for 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;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.

#### 6. DEMATERIALISATION OF EQUITY SHARES:

To facilitate holding of securities in dematerialised/electronic form, the Company is in the process of making arrangement with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

#### 7. CORPORATE GOVERNANCE:

The Report on Corporate Governance as per Clause 49 of the Listing Agreement is annexed.

**8. LISTING:**

The Equity Shares of the Company are listed on Ahmedabad and Mumbai Stock Exchanges and the Company has paid Annual Listing Fees upto the year 2012-13.

**9. GENERAL:**

9.1 INSURANCE:

The movable and immovable properties of the Company to the extent required have been adequately insured.

9.2 AUDITORS:

The present Auditors of the Company M/s. Shah & Shah Associates, Chartered Accountants, Ahmedabad will retire at the ensuing Annual General Meeting. They have submitted certificate for their eligibility for re-appointment under Section 224(1-B) of the Companies Act, 1956. The notes and remarks in the Auditors' Report and notes on accounts are self explanatory.

9.3 PARTICULARS OF EMPLOYEES:

None of the employees of the Company is drawing remuneration-requiring disclosure of information under Section 217(2-A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

9.4 DEPOSITS:

The Company has not accepted during the year under review any deposit as defined under the Companies (Acceptance of Deposits) Rules, 1975.

**10. SUBSIDIARY COMPANY:**

The Audited Statement of Accounts of M/s. Opel Securities Private Limited, together with the reports of the Directors' and Auditors' for the year ended on 31<sup>st</sup> March, 2012, as required under Section 212 of the Companies Act, 1956 is annexed.

**11. PARTICULARS AS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988:**

As the Company is engaged in Financial and Investment activities, the particulars of Conservation of Energy, Technology Absorption, Research and Development as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable.

The Company has no Foreign Exchange earning and outgo during the year under review.

**12. ACKNOWLEDGMENT:**

Your Directors express their sincere thanks and appreciation to Promoters and Shareholders for their constant support and co-operation.

Your Directors also place on record their grateful appreciation and co operation received from Bankers and employees of the Company.

For and on behalf of the Board,

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

**Kashyap R. Mehta**      **Anal R. Desai**  
*Director*                              *Director*

## PRISM FINANCE LIMITED

### REPORT ON CORPORATE GOVERNANCE

#### INTRODUCTION:

Corporate Governance is important to build confidence and trust which leads to strong and stable partnership with the Investors and all other Stakeholders. The detailed Report on implementation of Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Stock Exchange/s is set out below:

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and ability. The Company has implemented the mandatory requirements of the 'Code of Governance' as mentioned in Clause 49 of the Listing Agreement. The Compliance Report of the Company vis-à-vis the Stock Exchange Listing Agreement is presented below.

#### 2. BOARD OF DIRECTORS:

##### a) Composition and Category of Directors:

| Name of Directors | Category of Directorship  | No. of other Directorships * | Committee (1) Membership/ (2) Chairmanship in other companies            | No. of Board Meetings attended | Attendance at the AGM held on 9 <sup>th</sup> September, 2011 (Y)/(N) |
|-------------------|---------------------------|------------------------------|--|--------------------------------|---|
| Naresh P. Raval   | Independent Non-Executive | -                            | -  | 5                              | Y   |
| Kashyap R. Mehta  | Independent Non-executive | 3                            | Gujarat Craft Ind. Ltd<br>Typhoon Fin. Ser.Ltd<br>Som Shiva (Impex) Ltd. | 5                              | Y   |
| Anal R. Desai     | Independent Non-executive | -                            | -  | 5                              | Y   |

\* Private companies excluded.

##### b) Details of the Directors seeking Reappointment in forthcoming Annual General Meeting:

|  |   |
|--|---|
| Name of Director   | Mr. Kashyap R. Mehta  |
| Date of Birth  | 07-03-1960  |
| Date of Appointment  | 06-06-2007  |
| Expertise in specific functional areas                                     | Corporate Laws & Finance  |
| List of Public Limited Companies in which Directorship held                | Gujarat Craft Ind. Ltd<br>Typhoon Fin. Ser. Ltd<br>Som Shiva (Impex) Ltd. |
| Chairman/Member of the Committees of the Board of Directors of the Company | Audit Committee & Share holders' /<br>Investors' Grievances Committee     |
| Chairman/Member of the Committees of Directors of other companies.         | Gujarat Craft Ind. Ltd<br>Typhoon Fin. Ser. Ltd<br>Som Shiva (Impex) Ltd. |

##### c) Board Procedures:

The Board of Directors meets once a quarter to review the performance and Financial Results. A detailed Agenda File is sent to all the Directors well in time of the Board Meetings. The Chairman/ Managing Director briefs the Directors at every Board Meeting, overall performance of the Company. All major decisions/ approvals are taken at the Meeting of the Board of Directors such as policy formation, business plans, budgets, and investment opportunities, Statutory Compliance etc. The meeting of the Board of Directors were held on 13-05-2011, 27-07-2011, 11-11-2011, 10-01-2012 and 13-02-2012.

**3. AUDIT COMMITTEE:**

The Audit Committee consists of the following Directors:

| Name of the Directors | Expertise   | Functions of the Committee  | Attendance   |
|-----------------------|---|---|--|
| Mr. Kashyap R. Mehta  | All members are non-executive. Chairman is independent Director and all are independent.<br>One member has thorough financial and accounting knowledge. | The functions of the Audit Committee are as per Company Law and Listing Agreement with Stock Exchange(s) which include approving and implementing the audit procedures, review of financial reporting system, internal control procedures and risk management policies. | Majority members were present at the meeting held on:<br>13-05-2011,<br>27-07-2011,<br>11-11-2011 and<br>13-02-2012. |
| Mr. Naresh P. Rawal   |   |   |  |
| Ms. Anal R. Desai     |   |   |  |

**4. SHAREHOLDERS/INVESTORS' GRIEVANCES COMMITTEE:**

The Board has constituted a Shareholders/Investors' Grievances Committee for the purpose of effective redressal of the complaints of the shareholders such as Share Transfer, Non receipt of Balance Sheet, etc.

Mr. Kashyap R. Mehta and Ms. Anal R. Desai, Directors are the Members of the Committee.

The Company has received three complaints during the year. There was no valid request for transfer of shares pending as on 31<sup>st</sup> March 2012.

Mr. Chirag J. Desai is the Compliance Officer for the above purpose.

**5. GENERAL BODY MEETINGS:**

Details of last three Annual General Meetings of the Company are given below:

| Financial Year | Date       | Time       | Venue                             |
|----------------|------------|------------|-----------------------------------|
| 2008-09        | 24-09-2009 | 11.00 a.m. | 301, Iscon Mall,                  |
| 2009-10        | 22-09-2010 | 11.00 a.m. | Above Star Bazar, Satellite Road, |
| 2010-11        | 29-09-2011 | 11.00 a.m. | Ahmedabad - 380 015.              |

Pursuant to the provisions of Section 192 A of the Companies Act, 1956, there was no matter required to be dealt by the Company to be passed through postal ballot.

**6. DISCLOSURES:**

- a) The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management that may have any potential conflict with the interest of the Company. The Company has one subsidiary Company.
- b) There has neither been any non compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the Stock Exchange/s or SEBI or any other authorities, on any matters related to Capital Market during the last three years.

**7. MEANS OF COMMUNICATIONS:**

- a) In compliance with the requirements of the Listing Agreement, the Company is generally intimating Unaudited/ Audited Financial Results to the Stock Exchange/s. Results are not displayed on Website and are not sent individually to the Shareholders.
- b) During the year ended on 31<sup>st</sup> March 2012, no presentation was made to Institutional Investors or analyst or any other enterprise.
- c) Management Discussion and Analysis form part of the Annual Report.

**8. SHAREHOLDERS' INFORMATION:**

- a) Registered Office : 301, Iscon Mall, Above Star Bazar, Satellite Road, Ahmedabad - 380 015.
- b) Annual General Meeting : Day : Wednesday  
Date : 26<sup>th</sup> September, 2012  
Time : 11.00 a. m.  
Venue : 301, Iscon Mall, Above Star Bazar, Satellite Road, Ahmedabad – 380 015.

## PRISM FINANCE LIMITED

- c) Financial Calendar :
- 1st Quarter Results : 1<sup>st</sup> / 2<sup>nd</sup> week - August, 2012.
- Half-yearly Results : 1<sup>st</sup> / 2<sup>nd</sup> week - November, 2012.
- 3rd Quarter Results : 1<sup>st</sup> / 2<sup>nd</sup> week - February, 2013.
- Audited yearly Results : End - May, 2013.
- d) Book Closure Dates : From : Saturday The 8<sup>th</sup> September, 2012  
To : Wednesday The 26<sup>th</sup> September, 2012.  
(Both days inclusive).
- e) Dividend Payment Date : Not Applicable
- f) Listing of Shares on Stock Exchanges : **1. Ahmedabad Stock Exchange Limited,**  
Kamdhenu Complex, 1st Floor,  
Opp. Sahajanand College,  
Panjara Pole, Ambawadi, Ahmedabad - 380 015.  
**2. Bombay Stock Exchange Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001.
- g) Stock Exchange Code : 

| Stock Exchange | Code   |
|----------------|--------|
| ASE            | 45565  |
| BSE            | 531735 |
- h) Stock Price Data :  
The Shares of the Company have not been traded during the period from 1<sup>st</sup> April, 2011 to 31<sup>st</sup> March, 2012 hence no information is submitted.
- i) Registrar and Share Transfer Agents. :  
The Company has initiated certain steps to meet the requirements of SEBI Circular No. D&CC/FITTC/CIR 15/2003 dated 27<sup>th</sup> December, 2002 read with Circular No. D&CC/FITTC/CIR 18/2003 dated 12<sup>th</sup> February, 2003, on appointment of common agency for share registry work. At present, the Company has its own in house Share Department at:  
301, Iscon Mall, Above Star Bazar,  
Satellite, Ahmedabad – 380 015.  
Tele. No. :079-26401121  
Fax No. :079-26421239  
E-mail : prismfinance@yahoo.com
- j) Share Transfer System :  
The transfer of shares in physical form is processed and completed by the Company's own in house Share Department within a period of 25 days from the date of receipt thereof.  
The Company is in the process of making arrangements with NSDL/CDSL to enable shareholders to hold their holding in electronic form.
- k) Distribution of Shareholding as on 31<sup>st</sup> March, 2012:

| No. of Equity Shares held | No. of Shareholders | % of Shareholders | No. of Shares held | % of Shareholding |
|---------------------------|---------------------|-------------------|--------------------|-------------------|
| Upto 500                  | 1202                | 73.65             | 92960              | 1.43              |
| 501 to 1000               | 303                 | 18.57             | 283100             | 4.36              |
| 1001 to 2000              | 10                  | 0.62              | 13600              | 0.21              |
| 2001 to 3000              | 27                  | 1.65              | 65600              | 1.01              |
| 3001 to 4000              | 2                   | 0.12              | 7400               | 0.11              |
| 4001 to 5000              | 18                  | 1.10              | 88700              | 1.36              |
| 5001 to 10000             | 12                  | 0.74              | 105300             | 1.63              |
| 10001 to above            | 58                  | 3.55              | 5843640            | 89.89             |
| Grand Total               | 1632                | 100.00            | 6500300            | 100.00            |

## ANNUAL REPORT 2011-2012

l) Category of Shareholders as on 31<sup>st</sup> March, 2012:

| Category                     | No. of Shares held | % of Shareholding |
|------------------------------|--------------------|-------------------|
| Promoters                    | 30,13,700          | 46.36             |
| Financial Institutions/Banks | -                  | -                 |
| Mutual Fund                  | -                  | -                 |
| Bodies Corporate             | 5,37,000           | 8.26              |
| NRIs                         | 2,32,600           | 3.58              |
| Public                       | 27,17,000          | 41.80             |
| Grand Total                  | 65,00,300          | 100.00            |

m) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:

The Company has not issued any GDRs/ADRs.

n) Dematerialisation of Shares :

The Company is in the process of making arrangements with NSDL/ CDSL for Dematerialisation of Shares.

### 9. ADDRESS FOR CORRESPONDENCE:

For any assistance regarding share transfers, transactions, change of address, or any other query relating to shares, shareholders may contact at Registered Office of the Company at:

301, Iscon Mall, Above Star Bazar, Satellite Road, Ahmedabad – 380 015.

Tele. No. : 079-26401121

Fax No. : 079-26421239

E-mail : prismfinance@yahoo.com

Compliance Officer : Mr. Chirag J. Desai, Secretarial Executive

For and on behalf of the Board,

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

**Kashyap R. Mehta**      **Anal R. Desai**  
*Director*                      *Director*

**PRISM FINANCE LIMITED**

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**AUDITORS' CERTIFICATE**

**To  
The Members of  
Prism Finance Limited,**

We have examined the compliance of conditions of corporate governance by M/s. Prism Finance Limited, for the year ended on 31<sup>st</sup> March, 2012 as stipulated in clause 49 of the listing agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of conditions of 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 generally complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

As per representation received from the Registrars of the Company, we state that as per records maintained by the Shareholders'/ Investors' Grievance Committee, no investor grievance remaining unattended/pending for more than 30 days.

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 Shah & Shah Associates**  
**FRN: 113742W**  
Chartered Accountants

Date : 16<sup>th</sup> July, 2012  
Place : Ahmedabad

**Sunil K. Dave**  
Partner  
**Membership No. 047236**

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**MANAGEMENT DISCUSSION AND ANALYSIS**

**a. Industry Structure and Developments:**

The Non Banking Financial Companies (NBFC) industry in the private sector in India is represented by a mix of few large and national level Companies and a large number of small and medium sized, regional and local Companies. These NBFCs provide a variety of services including fund based and free based activities as well as cater to retail and non-retail markets and niche segments.

As a part of the economic reform, the Government is reducing the interest rate to lower the overall finance cost. In spite of this and other banking reforms, no major momentum is witnessed in credit obtained by the industrial sector including core industry.

The imposition of stricter registration and other regulatory compliance requirements over the years have led to better investor protection and improved overall industry environment.

**b. Opportunities and Threats:**

The Company faces normal market competition in its business. The working of the NBFCs continued to be adversely affected by defaults due to recession and absence of proper and speedier recovery loss and procedure, paucity of funds, over regulations, laceration of level playing field, additive tax treatments and disallowance and encroachment by unprofessional and inexperienced fly-by-night operators in the industry.

The continuance of slow down in economy coupled with the reduction in the interest rate would continue to affect the income level of your Company in the current year. However, with the effective control over the expenses and prudent development of available resources, the Management is hopeful of maintaining satisfactory results.

**c. Segment wise Performance:**

The Company is operating in single segment. Hence, there is no need of reporting segment wise performance.

**d. Recent Trend and Future Outlook:**

The Company is likely to continue to maintain its focus on capital market activities including trading in securities and emerging products in derivatives. The Company will also look for any attractive opportunities in other growth areas in the financial services sector.

**e. Risks and Concerns:**

The Company is exposed to the normal industry risk factors of interest rate volatility, credit risk, market risk and operational risk. It manages these risks by maintaining a conservative financial profile and by following prudent business and risk management practises.

With lower and lower interest regime, the Company's gross income may suffer a set back as being a finance Company its main income is return/yield on its deployable funds.

**f. Internal Control Systems and their Adequacy:**

The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

**g. Financial Performance with respect to Operational Performance:**

The financial performance of the Company for the year 2011-12 is described in the Directors' Report.

**h. Material Developments in Human Resources and Industrial Relations Front:**

The Company is in process of employing and developing HRD department.

**i. Cautionary Statement:**

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of the Board,

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

**Kashyap R. Mehta**      **Anal R. Desai**  
*Director*                      *Director*

## PRISM FINANCE LIMITED

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### AUDITORS' REPORT

To,  
The Members of  
M/S. PRISM FINANCE LIMITED

1. We have audited the attached Balance Sheet of M/s. PRISM FINANCE LIMITED, as at 31<sup>st</sup> March, 2012 and also the Statement of Profit & Loss for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date. 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 have 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 presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India 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, we further report that:

We report that :

- a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 these books
- c) The Balance sheet and Statement of Profit & Loss dealt with by this report are in agreement with the books of account.
- d) In our opinion, these financial statements have been prepared in compliance with the applicable accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- e) According to the information and explanation given to us and on the basis of the written representations received from the Directors, none of the Directors of the company are prima-facie, as at 31<sup>st</sup> March, 2012, disqualified from being appointed as directors of the Company in terms of clause (g) of sub-section (1) of section 274 of the Companies 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the significant accounting policies and other notes thereon; give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
  - i) in the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011,
  - ii) in the case of Statement of Profit & Loss, of the Profit for the year ended on that date and
  - iii) in the case of Cash Flow statement, of the Cash Flow for the year ended on that date.

**For Shah & Shah Associates**  
**Firm Reg. No. 113742W**  
*Chartered Accountants*

Place : Ahmedabad  
Dated : 16<sup>th</sup> July, 2012

**(Sunil K. Dave)**  
*Partner*  
Membership No. 047236

---

**ANNEXURE TO THE AUDITORS' REPORT**  
(Referred to in paragraph 3 of our report of event date)

1. **In respect of its fixed assets :**
  - a) The company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) As informed to us, the fixed assets have been physically verified by the management during the year and according to information and explanations given to us no discrepancies were noticed on such verification.
  - c) In our opinion and according to the information and explanations given to us, the company has not made any substantial disposal during the year.
2. During the year under review, the company does not hold any inventories. Hence, paragraph 4(ii) of the Order, is not applicable.
3. According to information and explanations given to us, the company has not granted or taken secured/unsecured loan to or from any parties covered in the register maintained under section 301 of the Companies Act, 1956. Consequently, the provisions of paragraph 4(iii)(g) of the order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
5.
  - a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
  - b) In our opinion and according to the information and explanations given to us, there have been no transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lacs in respect of any party during the year.
6. The company has not accepted deposits from public during the year.
7. The company did not have any formal internal audit system during the year under review. In the opinion of the management, the existing internal control procedures are adequate and hence separate internal audit is not called for.
8. We are informed that the Central Government has not prescribed maintenance of cost records under clause (d) of sub section (1) of section 209 of the Companies Act, 1956.
9. According to the information and explanations given to us in respect of statutory and other dues:
  - a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, sales tax, Wealth Tax, Service Tax, Excise duty, custom duty and other material statutory dues applicable to it. We are informed by the company that Employees' State Insurance Act, 1948 is applicable only at Kadi plant of the company and contributions in respect of which have been regularly deposited during the year with appropriate authorities.
  - b) According to the information and explanation given to us and based on records examined by us, no undisputed amounts payable in respect of Provident Fund ,Employee State Insurance ,Income Tax, sales tax, wealth tax, custom duty, excise duty and Service Tax were outstanding as at 31<sup>st</sup> March,2012 for a period of more than six months from the date they became payable.
  - c) According to the information and explanations given to us, there are no statutory dues, which have not been deposited on account of any dispute.
10. The company does not have any accumulated losses as at 31-03-2012. Further, the company has not incurred cash losses during the financial year covered by our audit as well as in the immediately preceding financial year.

## **PRISM FINANCE LIMITED**

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11. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in the repayment of dues to banks.
12. According to information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of special statute applicable to chit fund are not applicable to this company.
14. In respect of dealing in shares and other investments, the company has generally maintained proper records of the transactions and contracts for purchase and sale thereof and timely entries for the same have been made therein. The company has generally held all the investment in shares and other investments in its own name.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has not taken any term loans and therefore clause (xvi) of para 4 of the Order is not applicable.
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 no funds raised on short term basis have been used for long term investment.
18. During the year under review, the company has not made any preferential allotment of shares to any parties covered in the Register maintained under section 301 of the Companies Act,1956.
19. The company has not issued any debentures during the year.
20. During the year under review, the company has not raised money by public issue.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

**For Shah & Shah Associates**  
**Firm Reg. No. 113742W**  
*Chartered Accountants*

Place : Ahmedabad  
Dated : 16<sup>th</sup> July, 2012

**(Sunil K. Dave)**  
*Partner*  
Membership No. 047236

## ANNUAL REPORT 2011-2012

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2012**

| Particulars                            | Refer<br>Note No. | As At<br>March 31,2012<br>Rupees | As At<br>March 31,2011<br>Rupees |
|--|-------------------|----------------------------------|----------------------------------|
| <b>I EQUITY AND LIABILITIES :</b>      |                   |                                  |                                  |
| <b>1) Shareholders' Funds</b>          |                   |                                  |                                  |
| Share capital                          | A                 | 65,003,000                       | 65,003,000                       |
| Reserves and Surplus                   | B                 | 17,697,712                       | 16,896,250                       |
| <b>2) Non-Current Liabilities</b>      |                   |                                  |                                  |
| Other Long-term liabilities            | C                 | 69,000                           | 69,000                           |
| <b>3) Current Liabilities</b>          |                   |                                  |                                  |
| Short-term borrowings                  | D                 | 6,168,500                        | 8,418,500                        |
| Trade payables                         | E                 | 62,573,435                       | 69,817                           |
| Other current liabilities              | F                 | 28,918                           | 26,664                           |
| Short-term provisions                  | G                 | 138,830                          | 104,505                          |
| <b>TOTAL</b>                           |                   | <b>151,679,395</b>               | <b>90,587,736</b>                |
| <b>II ASSETS :</b>                     |                   |                                  |                                  |
| <b>1) Non-Current Assets</b>           |                   |                                  |                                  |
| <b>Fixed Assets</b>                    |                   |                                  |                                  |
| Tangible assets                        | H                 | 5,168,899                        | 5,851,485                        |
| Non-current investments                | I                 | 118,631,223                      | 55,148,600                       |
| Long-term loans and advances           | J                 | 4,563,500                        | 4,563,500                        |
| <b>2) Current Assets</b>               |                   |                                  |                                  |
| Trade receivables                      | K                 | 2,830,898                        | 3,528,461                        |
| Cash and cash equivalents              | L                 | 1,893,355                        | 752,130                          |
| Short-term loans and advances          | M                 | 18,591,520                       | 20,743,560                       |
| <b>TOTAL</b>                           |                   | <b>151,679,395</b>               | <b>90,587,736</b>                |
| <b>Significant Accounting Policies</b> | R                 |                                  |                                  |

**Notes to Accounts**

The Notes referred to above form an integral part of the Balance Sheet

As per our Report of even date attached herewith

For **Shah & Shah Associates**

**Firm Reg. No. 113742W**

*Chartered Accountants*

**Sunil K. Dave**

*Partner*

Membership No. 047236

Place : Ahmedabad

Date : 16<sup>th</sup> July, 2012

For and on behalf of the Board

**Anal Desai**

*Director*

**Kashyap Mehta**

*Director*

Place : Ahmedabad

Date : 16<sup>th</sup> July, 2012

**PRISM FINANCE LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED ON 31<sup>ST</sup> MARCH, 2012**

| Particulars   | Refer Note No. | For the Year ended On March 31, 2012<br>Rupees | For the Year Ended On March 31, 2011<br>Rupees |
|---|----------------|--|--|
| I Revenue from Operations   | N              | 2,771,690                                      | 3,376,823                                      |
| II Other Income   | O              | 1,022,810                                      | 733,148  |
| <b>III Total Revenue</b>  |                | <b>3,794,500</b>                               | <b>4,109,971</b>                               |
| <b>IV Expenses :</b>  |                |  |  |
| Payments to and Provisions for Employees                                    | P              | 183,000  | 167,500  |
| Depreciation and Amortization Expense                                       |                | 682,586  | 682,706  |
| Other expenses  | Q              | 1,647,581                                      | 621,373  |
| <b>Total Expenses</b>   |                | <b>2,513,167</b>                               | <b>1,471,579</b>                               |
| <b>V Profit Before Exceptional and Extraordinary Items and Tax (III-IV)</b> |                | <b>1,281,333</b>                               | <b>2,638,392</b>                               |
| VI Exceptional Items  |                | -  | -  |
| <b>VII Profit Before Extraordinary Items And Tax (V-VI)</b>                 |                | <b>1,281,333</b>                               | <b>2,638,392</b>                               |
| VIII Extraordinary Items  |                | -  | -  |
| <b>IX Profit Before Tax (VII-VIII)</b>                                      |                | <b>1,281,333</b>                               | <b>2,638,392</b>                               |
| <b>X Tax Expense</b>  |                |  |  |
| 1) Current Tax (Including for earlier year Rs.1,16,871/-)                   |                | 479,871  | 430,000  |
| Less: MAT Credit entitlement  |                | -  | -  |
|   |                | <b>479,871</b>                                 | <b>430,000</b>                                 |
| 2) Wealth Tax   |                | -  | -  |
| 3) Deferred Tax   |                | -  | -  |
| <b>XI Profit From The Year From Continuing Operations (IX-X)</b>            |                | <b>801,462</b>                                 | <b>2,208,392</b>                               |
| <b>XVI Earning Per Equity Share (annualised)</b>                            |                |  |  |
| 1) Basic  |                | 0.12   | 0.34   |
| 2) Diluted  |                | 0.12   | 0.34   |

**Significant Accounting Policies**

R

**Notes to Accounts**

The Notes referred to above form an integral part of the As per our Report of even date attached herewith

For **Shah & Shah Associates**

**Firm Reg. No. 113742W**

*Chartered Accountants*

**Sunil K. Dave**

*Partner*

Membership No. 047236

Place : Ahmedabad

Date : 16<sup>th</sup> July, 2012

For and on behalf of the Board

**Anal Desai**

*Director*

**Kashyap Mehta**

*Director*

Place : Ahmedabad

Date : 16<sup>th</sup> July, 2012

## ANNUAL REPORT 2011-2012

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

|  | 2011-12<br>Rupees   | 2010-11<br>Rupees  |
|--|---------------------|--------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>               |                     |                    |
| Net Profit before Tax & Extra-ordinary items             | 1,281,333           | 2,638,391          |
| <b>Adjustments for :-</b>                                |                     |                    |
| - Provision for Non-Performing Assets                    | -                   | -                  |
| - Provision for Diminuation of Investment                | 1,062,064           | -                  |
| - Depreciation   | 682,586             | 682,706            |
| - (Profit) / Loss on Sale of Shares                      | (1,596,616)         | (2,652,996)        |
| - (Profit) / Loss on Sale of Assets                      | -                   | -                  |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES          | <u>148,034</u>      | <u>(1,970,290)</u> |
|  | 1,429,367           | 668,101            |
| <b>Adjustments for :-</b>                                |                     |                    |
| - Trade Receivables                                      | 697,563             | 207,495            |
| - Long/Short term Loans & Advances                       | 2,152,040           | 1,213,286          |
| - Trade payables & Other Liabilities                     | 62,505,872          | (98,910)           |
|  | <u>65,355,475</u>   | <u>1,321,871</u>   |
| CASH GENERATED FROM OPERATIONS                           | 66,784,842          | 1,989,972          |
| Income tax paid  | (445,546)           | (399,170)          |
|  | <u>(445,546)</u>    | <u>(399,170)</u>   |
| <b>NET CASH FROM OPERATING ACTIVITIES (A)</b>            | <u>66,339,296</u>   | <u>1,590,802</u>   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>               |                     |                    |
| Purchase/Sale of Fixed Assets (Net)                      | -                   | (33,100)           |
| Advances for Capital Goods                               | -                   | -                  |
| Purchase/Sale of Investments (Net)                       | (64,544,687)        | (5,688,843)        |
| (Loss) / Profit on Sale of Shares                        | 1,596,616           | 2,652,996          |
| <b>NET CASH FLOW FROM INVESTMENT ACTIVITIES (B)</b>      | <u>(62,948,071)</u> | <u>(3,068,947)</u> |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>               |                     |                    |
| Share Capital  | -                   | -                  |
| Application Money Received                               | -                   | -                  |
| Short Term Borrowing                                     | (2,250,000)         | 2,050,000          |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>       | <u>(2,250,000)</u>  | <u>2,050,000</u>   |
| NET DECREASE IN CASH & CASH EQUIVALENTS (A+B+C)          | 1,141,225           | 571,855            |
| CASH & CASH EQUIVALENTS AS AT 1ST APRIL 2011             | 752,130             | 180,275            |
| <b>CASH &amp; CASH EQUIVALENTS AS AT 31ST MARCH 2012</b> | <u>1,893,355</u>    | <u>752,130</u>     |

For and on behalf of the Board

Anal Desai Director

Kashyap Mehta Director

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

**PRISM FINANCE LIMITED**

**NOTES FORMING PART OF THE ACCOUNTS**

| Particulars                            | As at March 31, 2012 |                   | As at March 31, 2011 |                    |
|--|----------------------|-------------------|----------------------|--------------------|
|  | Number               | Rupees            | Number               | Rupees             |
| <b>Note: A</b>                         |                      |                   |                      |                    |
| <b>SHARE CAPITAL</b>                   |                      |                   |                      |                    |
| <b>Authorise:</b>                      | <u>7,000,000</u>     | <u>70,000,000</u> | <u>7,000,000</u>     | <u>70,000,000</u>  |
| Equity Shares of Rs.10/- each          |                      |                   |                      |                    |
| <b>Issued:</b>                         |                      |                   |                      |                    |
| Equity Shares of Rs.10/- each          | <u>6,500,300</u>     | <u>65,003,000</u> | <u>65,003,000</u>    | <u>650,030,000</u> |
| <b>Subscribed &amp; Fully Paid up:</b> |                      |                   |                      |                    |
| Equity Shares of Rs.10/- each          | <u>6,500,300</u>     | <u>65,003,000</u> | <u>6,500,300</u>     | <u>65,003,000</u>  |
| <b>Total</b>                           |                      | <u>65,003,000</u> |                      | <u>65,003,000</u>  |

**Disclosure Pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956**

| Particulars                                     | Equity Shares |           |
|---|---------------|-----------|
|   | Number        | Rupees    |
| Shares Outstanding at the Beginning of the Year | 6,500,300     | 6,500,300 |
| Shares Issued During the Year                   | -             | -         |
| Shares Bought Back During the Year              | -             | -         |
| Shares Outstanding at the end of the Year       | 6,500,300     | 6,500,300 |

**Disclosure Pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956**

Details of shareholding more than 5% shares in the Company

| Particulars                    | As at March 31, 2012 |               | As at March 31, 2011 |               |
|--------------------------------|----------------------|---------------|----------------------|---------------|
|                                | No. of Shares held   | % of Holding  | No. of Shares held   | % of Holding  |
| Bar Magnet Investment Pvt.Ltd. | <u>700,000</u>       | <u>10.77%</u> | 700,000              | 10.77%        |
| Mas Chemicals Industries Ltd.  | <u>1,029,300</u>     | <u>15.83%</u> | <u>1,029,300</u>     | <u>15.83%</u> |
| <b>TOTAL</b>                   | <u>1,729,300</u>     |               | <u>1,729,300</u>     |               |

**Disclosure Pursuant to Note no. 6(A)(i) of Part I of Schedule VI to the Companies Act, 1956**

| Particulars  | Financial Year<br>(Aggregate No. of Shares) |                       |
|--|---|-----------------------|
|  | For the year ended On<br>31.03.2012         | 2006-07 to<br>2010-11 |
| <b>Equity Shares :</b>   |   |                       |
| Issued Fully paid up shares pursuant to contract(s) without payment being received in cash | Nil   | Nil                   |
| Issued Fully paid up shares by way of bonus shares   | Nil   | Nil                   |
| Shares bought back   | Nil   | Nil                   |

**Disclosure Pursuant to Note no. 6(A)(k) of Part I of Schedule VI to the Companies Act, 1956**

| Unpaid Calls as at March 31,2012 | As at March 31,2012 | As at March 31,2011 |
|----------------------------------|---------------------|---------------------|
|                                  | Rupees              | Rupees              |
| By Directors                     | Nil                 | Nil                 |
| By Officers                      | Nil                 | Nil                 |

**ANNUAL REPORT 2011-2012**

| Particulars   | As at<br>March 31, 2012<br>Rupees | As at<br>March 31, 2011<br>Rupees |
|---|-----------------------------------|-----------------------------------|
| <b>Note: B</b>  |                                   |                                   |
| <b>RESERVES &amp; SURPLUS</b>                                       |                                   |                                   |
| <b>Statutory Reserve</b>  |                                   |                                   |
| Balance as per last balance sheet                                   | -                                 | -                                 |
| Additions during the year   | <u>1,436,263</u>                  | -                                 |
| Closing balance   | <u>1,436,263</u>                  | -                                 |
| <b>Balance in Profit &amp; Loss Statement</b>                       |                                   |                                   |
| Balance as per last balance sheet                                   | <u>16,896,250</u>                 | 14,687,858                        |
| Add: Net profit for the current year                                | <u>801,462</u>                    | 2,208,392                         |
| Less: Amount transferred to Statutory Reserve for earlier years     | <u>1,275,971</u>                  | -                                 |
| Less: Amount transferred to Statutory Reserve for current year      | <u>160,292</u>                    | -                                 |
| Closing balance   | <u>16,261,449</u>                 | 16,896,250                        |
| <b>Total</b>  | <u><u>17,697,712</u></u>          | <u><u>16,896,250</u></u>          |
| <br>  |                                   |                                   |
| <b>NOTE : C</b>   |                                   |                                   |
| <b>OTHER LONG TERM LIABILITIES</b>                                  |                                   |                                   |
| Security deposits   | <u>69,000</u>                     | 69,000                            |
| <b>Total</b>  | <u><u>69,000</u></u>              | <u><u>69,000</u></u>              |
| <br>  |                                   |                                   |
| <b>NOTE : D</b>   |                                   |                                   |
| <b>SHORT TERM BORROWINGS</b>  |                                   |                                   |
| <b>Unsecured Loans:</b>   |                                   |                                   |
| From companies  | <u>6,168,500</u>                  | 6,668,500                         |
| From members  | <u>        </u>                   | 1,750,000                         |
| <b>Total</b>  | <u><u>6,168,500</u></u>           | <u><u>8,418,500</u></u>           |
| Note: There is no default in repayment of interest free borrowings. |                                   |                                   |
| <br>  |                                   |                                   |
| <b>NOTE : E</b>   |                                   |                                   |
| <b>TRADE PAYABLES</b>   |                                   |                                   |
| Creditors for Goods and Services                                    | <u>62,573,435</u>                 | 69,817                            |
| <b>Total</b>  | <u><u>62,573,435</u></u>          | <u><u>69,817</u></u>              |
| <br>  |                                   |                                   |
| <b>NOTE : F</b>   |                                   |                                   |
| <b>OTHER CURRENT LIABILITIES</b>                                    |                                   |                                   |
| Expenses payable  | <u>18,480</u>                     | 16,229                            |
| Statutory liability   | <u>10,438</u>                     | 10,435                            |
| <b>Total</b>  | <u><u>28,918</u></u>              | <u><u>26,664</u></u>              |
| <br>  |                                   |                                   |
| <b>NOTE : G</b>   |                                   |                                   |
| <b>SHORT TERM PROVISIONS</b>  |                                   |                                   |
| Provision of tax (net of advance tax)                               | <u>138,830</u>                    | 104,505                           |
| <b>Total</b>  | <u><u>138,830</u></u>             | <u><u>104,505</u></u>             |

## PRISM FINANCE LIMITED

### NOTE : H

#### FIXED ASSETS

(Rupees)

| Particulars                | GROSS BLOCK (At Cost) |                          |                           | DEPRECIATION     |                  |                | NET BLOCK                 |                  |                  |                  |
|----------------------------|-----------------------|--------------------------|---------------------------|------------------|------------------|----------------|---------------------------|------------------|------------------|------------------|
|                            | As on 01/04/11        | Addition during the year | Deduction during the year | As on 31/03/12   | Upto 31/03/11    | For the year   | Deduction during the year | Upto 31/03/12    | As on 31/03/12   | As on 31/03/11   |
| <b>Tangible Assets:</b>    |                       |                          |                           |                  |                  |                |                           |                  |                  |                  |
| Building                   | 1,112,264             | -                        | -                         | 1,112,264        | 200,451          | 18,130         | -                         | 218,581          | 893,683          | 911,813          |
| Furniture & Fixture        | 247,037               | -                        | -                         | 247,037          | 214,555          | 15,637         | -                         | 230,192          | 16,845           | 32,482           |
| Data Processing Equipments | 886,269               | -                        | -                         | 886,269          | 860,911          | -              | -                         | 860,911          | 25,358           | 25,358           |
| Office Equipments          | 209,337               | -                        | -                         | 209,337          | 129,505          | 9,944          | -                         | 139,449          | 69,888           | 79,832           |
| Vehicle                    | 27,355                | -                        | -                         | 27,355           | 26,732           | -              | -                         | 26,732           | 623              | 623              |
| Moter Car                  | 6,725,000             | -                        | -                         | 6,725,000        | 1,923,623        | 638,875        | -                         | 2,562,498        | 4,162,502        | 4,801,377        |
| <b>TOTAL</b>               | <b>9,207,262</b>      | <b>-</b>                 | <b>-</b>                  | <b>9,207,262</b> | <b>3,355,777</b> | <b>682,586</b> | <b>-</b>                  | <b>4,038,363</b> | <b>5,168,899</b> | <b>5,851,485</b> |
| Pravious Year              | 9,174,162             | 33,100                   | -                         | 9,207,262        | 2,673,071        | 682,706        | -                         | 3,355,777        | 5,851,485        | -                |

|  | AS AT 31/03/12 |        | AS AT 31/03/11 |        |
|--|----------------|--------|----------------|--------|
|  | NO. OF SHARES  | RUPEES | NO. OF SHARES  | RUPEES |

### NOTE-I

#### NON CURRENT INVESTMENTS (At Cost)

##### (A) UNQUOTED:

###### Trade:

###### In Subsidiary Company

In Fully paid Equity Shares of Rs. 10/- each

OPEL SECURITIES LTD 1,150,050 11,500,500 1,150,050 11,500,500

###### Others:

In Fully paid Equity Shares of Rs. 10/- each

BVM FINANCE LIMITED 7250000 72,500,000 1,000,000 10,000,000

KHADAYATA DÉCOR LTD. 20000 200,000 20,000 200,000

In Fully paid Equity Shares of Rs. 25/- each

TEXTILES TRADERS CO-OP.BANK LIMITED 2500 62,510 2,500 62,510

In Fully paid Equity Shares of Rs. 100/- each

SHREE SAINATH PARK ASSOCIATION 1 100 1 100

##### TOTAL (A)

**84,263,110** **21,763,110**

##### (B) QUOTED:

###### (i) In Fully paid Equity Shares:

ADANI POWER 3000 404675 3,000 404,675

ALEXCON EXTRUSIONS LTD. 200 3578 200 3,578

ALPS INFOSYS LTD 4500 180000 4,500 180,000

ANIL PRODUCT 1000 203733 1,000 203,733

ANSAL BUILDWELL 4500 622280 4,500 622,280

ANUSHA INTERNATIONAL LTD. 2700 27000 2,700 27,000

APTECH LTD 1000 158121 1,000 158,121

ASSAM COMPANY 4332 101691 4,332 101,691

BAJAJ AUTO 384 450806 406 603,381

BHARAT HEAVY ELE. LTD - 229 - -

BOSCHL 87 620850 - -

BLUE INFORMATION LTD. 3000 303945 3,000 303,945

CALS REFINERY 300000 187173 300,000 187,173

CASTROL INDIA 876 366297 - -

CIARIANT CHEMICALS (INDIA) LTD. 860 505685 - -

DABUR INDA LTD. 5187 516388 - -

CUMMINS INDIA LTD. 1149 498112 - -

CHEMOX SECURITIES LTD. 100 6519 100 6,519

COAL INDIA - 1,853 581,325

COROMANDAL ENGINEERING 500 136704 500 136,704

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|                               | AS AT 31/03/12 |         | AS AT 31/03/11 |           |
|-------------------------------|----------------|---------|----------------|-----------|
|                               | NO. OF SHARES  | RUPEES  | NO. OF SHARES  | RUPEES    |
| COSMO FILMS                   | 12000          | 1781361 | 12,000         | 1,781,361 |
| DATAPRO INFOTECH LTD.         | 1000           | 15412   | 1,000          | 15,412    |
| DIVIS LAB LTD                 | 800            | 232100  | 800            | 232,100   |
| ELECTRA INDIA LTD             | 200            | 5740    | 200            | 5,740     |
| ESCORT                        | 28             | 5345    | 28             | 5,345     |
| EXIDE INDUSTRIES              | 4312           | 635714  | 2,710          | 397,922   |
| GLOBAL TELE - SYSTEM LTD      | 30000          | 1645372 | -              | -         |
| GLAXO SMITH PHARMA LTD.       | 225            | 441003  | -              | -         |
| GODREJ INDUSTRIES             | 737            | 117666  | 737            | 117,666   |
| GOVIND RUBBER                 | 6500           | 132104  | 6,500          | 132,104   |
| GUJARAT CONTAINERS LTD.       | 1000           | 19000   | 1,000          | 19,000    |
| GUJARAT NRE                   | 24500          | 341700  | 24,500         | 341,700   |
| GUJARAT NRE COKE CLASS B      | 2450           | -       | 2,450          | -         |
| HDFC BANK SHARES              | 1279           | 486804  | 371            | 675,759   |
| HERO HONDA MOTOR LTD.         | 325            | 629610  | -              | -         |
| HINDUSTAN VIDYUT              | 1300           | 552500  | 1,300          | 552,500   |
| HOUSING DEVELOPMENT FINANCE   | 905            | 349458  | 1,142          | 332,403   |
| EON ELECTRICS                 | 51             | 4338    | 51             | 4,338     |
| INDRAPRASTHA GAS LTD.         | 1660           | 553923  | -              | -         |
| INFOSYS TECH                  | 236            | 581974  | 272            | 424,588   |
| INTEGRATED RUBIAN EXPORTS LTD | 6000           | 11700   | 6,000          | 11,700    |
| ITC LTD                       | 3103           | 222764  | 4,197          | 456,991   |
| JAYANTI BUSINESS MACHINES LTD | 2018           | 70630   | 2,018          | 70,630    |
| JINDAL ONLINE                 | 58350          | 104999  | 58,350         | 104,999   |
| JMD ALLOYS LTD                | 9500           | 95000   | 9,500          | 95,000    |
| KAASHYAP TECHNOLOGIES         | 116666         | 514077  | 116,666        | 514,077   |
| KAY PULP & PAPER LTD          | 12500          | 82131   | 12,500         | 82,131    |
| KEDIA INFOTECH                | 211209         | 278032  | 211,209        | 278,032   |
| KRISHNA PLASTO CHEM LTD       | 35600          | 1148527 | 35,600         | 1,148,527 |
| LARSEN & TUBRO                | -              | -       | 206            | 323,705   |
| MALVIKA STEELS LTD            | 3500           | 25920   | 3,500          | 25,920    |
| MCDOWELL HOLDING              | 240            | -       | 240            | -         |
| MEGHMANI ORGANIC              | 79000          | 791838  | 79,000         | 791,838   |
| MODI ALKALIES & CHEMICALS LTD | 150            | 3750    | 150            | 3,750     |
| MOIL                          | 17             | 6056    | 17             | 6,056     |
| NAGARJUNA CONSTRUCTION        | 2500           | 393781  | 2,500          | 393,781   |
| NESTLE INDA LTD.              | 88             | 363533  | -              | -         |
| PRITHVI SOFTECK               | 100            | 39064   | 1,000          | 39,064    |
| OPTO CIRCUIT                  | 3360           | 125553  | 3,231          | 125,553   |
| ORIGINAL AGROSTER LTD         | 4250           | 590646  | 4,250          | 590,646   |
| PARAMOUNT COMMU               | 10000          | 351102  | 10,000         | 351,102   |
| PENTAMEDIA GRAPHICS           | 79,999         | 897,188 | 79,999         | 897,188   |
| POLYLINK POLYMER LTD          | 100            | 523     | 100            | 523       |
| RADHE DEVELOPERS              | 54944          | 3475107 | 549,440        | 3,475,107 |
| RALIS INDIA LTD.              | 250            | 32668   | -              | -         |
| RELIANCE IND                  | -              | -       | 548            | 94,192    |
| SATELITE ENGINEERING LTD      | 24300          | 209296  | 24,300         | 209,296   |
| SERENE INDUSTRIES LTD         | 10000          | 69535   | 10,000         | 69,535    |
| SHANTI GEARS                  | 7000           | 532966  | 7,000          | 532,966   |
| SHILP GRAVUS                  | 7294           | 486645  | 7,294          | 486,645   |
| SILVERLINE ANIMATION          | 1000           | -       | 1,000          | -         |
| SILVERLINE TECHNOLOGIES       | 2500           | 405000  | 2,500          | 405,000   |
| SINGH ALLOYS LTD              | 5000           | 73200   | 5,000          | 73,200    |
| SOFTRAK TECHNOLOGIES LTD      | 20000          | 15200   | 20,000         | 15,200    |
| SOUTH INDIAN CORP             | 5000           | 501301  | 5,000          | 501,301   |
| SREI INFRASTRUCTURE           | 18000          | 589113  | 18,000         | 589,113   |
| STANDARD SURFACTANT LTD       | 1900           | 89078   | 1,900          | 89,078    |
| STATE BANK OF INDIA           | -              | -       | 197            | 337,011   |

## PRISM FINANCE LIMITED

|   | AS AT 31/03/12 |                       | AS AT 31/03/11 |                       |
|---|----------------|-----------------------|----------------|-----------------------|
|   | NO. OF SHARES  | RUPEES                | NO. OF SHARES  | RUPEES                |
| SUMERU INDUSTRIES                                       | 5552           | 17131                 | 5,552          | 17,131                |
| SUN PHARMA  | 1201           | 320543                | 1,807          | 451,709               |
| SUN PHARMA ADV LTD                                      | 15000          | 1293255               | -              | -                     |
| TATA STEEL  | -              | -                     | 883            | 585,760               |
| TCS   | 596            | 465415                | 470            | 292,696               |
| TEESTA AGRO INDUSTRIES LTD                              | 2000           | 24500                 | 2,000          | 24,500                |
| TELEDATA MARINE   | 2500           | 83745                 | 2,500          | 83,745                |
| TELEDATA TECHNOLOGY                                     | 2500           | 83745                 | 2,500          | 83,745                |
| TITAN INDUSTRIES  | 2686           | 505318                | -              | -                     |
| THE ORISSA MINERAL DEVELOPMENT                          | 50             | 1175000               | 50             | 1,175,000             |
| TUBE INVESTMENT   | 800            | 80277                 | 22,800         | 2,081,687             |
| UNILIV FOODS LTD  | 21500          | 283710                | 21,500         | 283,710               |
| UP HOTELS   | 598            | 102617                | 598            | 102,617               |
| VADILAL DAIRY INDUSTRIES LTD                            | 6200           | 88015                 | 6,200          | 88,015                |
| VARUN SHIPPING  | 56379          | 2282548               | 56,379         | 2,282,548             |
| WINDSOR MACHINERY                                       | 18600          | 864764                | 9,300          | 864,764               |
| YES BANK  | 1622           | 485669                | 1,371          | 413,932               |
| <b>TOTAL (i)</b>  |                | <b>34,576,856</b>     |                | <b>30,578,478</b>     |
| <b>(ii) In Fully paid Mutual Funds</b>                  |                |                       |                |                       |
| PRINCIPAL CASH MANAGEMENT                               | -              | -                     | 186,509        | 2,807,012             |
| PRINCIPAL CASH MGMT. FUND INST.PREMIUM-G                | 518            | 853,321               | -              | -                     |
| <b>TOTAL (ii)</b>                                       |                | <b>853,321</b>        |                | <b>2,807,012</b>      |
| <b>TOTAL [ (i) + (ii) ]</b>                             |                | <b>35,430,177</b>     |                | <b>33,385,490</b>     |
| Less: Provision for diminuation in value of Investments |                | <b>1,062,064</b>      |                | <b>-</b>              |
| <b>TOTAL B i.e. [ (i) + (ii) ]</b>                      |                | <b>34,368,113</b>     |                | <b>33,385,490</b>     |
| <b>TOTAL (A+B)</b>                                      |                | <b>118,631,223</b>    |                | <b>55,148,600</b>     |
| <b>NOTES:-</b>  |                |                       |                |                       |
|   |                | <b>As At 31/03/12</b> |                | <b>As At 31/03/11</b> |
|   |                | <b>Rupees in lacs</b> |                | <b>Rupees in lacs</b> |
| (a) Aggregate Cost of Quoted investments                |                | 343.68                |                | 333.85                |
| (b) Aggregate Market Value of Quoted investments        |                | 260.59                |                | 291.83                |
| (c) Aggregate Cost of Unquoted investments              |                | 842.63                |                | 217.63                |

### DURING THE YEAR THE FOLLOWING SHARES WERE PURCHASED AND SOLD

| NAME OF THE COMPANY                              | 2011-2012  |          | 2010-2011  |          |
|--|------------|----------|------------|----------|
|  | FACE VALUE | QUANTITY | FACE VALUE | QUANTITY |
| <b>PURCHASE OF SHARES &amp; OTHER ADDITIONS:</b> |            |          |            |          |
| ADANI ENTERPRISE                                 | -          | -        | 1/-        | 721      |
| ADANI POWER                                      | -          | -        | 10/-       | 3,000    |
| ANG INDUSTRIES                                   | -          | -        | 10/-       | 5,000    |
| ANIL PRODUCT                                     | -          | -        | 10/-       | 1,000    |
| APTECH LTD                                       | -          | -        | 10/-       | 1,000    |
| ASSAM COMPANY                                    | -          | -        | 1/-        | 4,332    |
| BAJAJ AUTO                                       | 10/-       | 58       | 10/-       | 406      |
| BHARAT PETROLIUM                                 | -          | -        | 10/-       | 715      |
| BHARTI AIRTEL                                    | 5/-        | 500      | -          | -        |
| BINANI CEMENT                                    | -          | -        | 10/-       | 12,808   |
| BOSCHL LTD.                                      | 10/-       | 87       | -          | -        |
| CASTROL INDIA LTD.                               | 10/-       | 876      | -          | -        |
| CLARIENT CHEMICALS INDIA LTD.                    | 10/-       | 860      | -          | -        |
| COAL INDIA                                       | 10/-       | 2000     | 10/-       | 2,352    |
| COROMANDAL ENGINEERING                           | -          | -        | 10/-       | 500      |
| COSMO FILMS                                      | -          | -        | 10/-       | 12,000   |
| CUMMINS INDIA LTD.                               | 2/-        | 1149     | -          | -        |
| DABUR INDIA LTD.                                 | 1/-        | 5187     | -          | -        |

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| NAME OF THE COMPANY              | 2011-2012  |                | 2010-2011  |                |
|----------------------------------|------------|----------------|------------|----------------|
|                                  | FACE VALUE | QUANTITY       | FACE VALUE | QUANTITY       |
| DELTA CORP LTD.                  | 1/-        | 5000           | -          | -              |
| DISH TV LTD.                     | 1/-        | 5298           | -          | -              |
| DR. REDDY'S LAB                  | 5/-        | 134            | -          | -              |
| EDELWEISS CAPITAL                | -          | -              | 1/-        | 671            |
| ESCORT                           | -          | -              | 10/-       | 28             |
| EXIDE INDUSTRIES                 | 1/-        | 1602           | 1/-        | 2,710          |
| FDC LTD.                         | 1/-        | 3000           | -          | -              |
| GAMON INDIA LTD.                 | 2/-        | 3500           | -          | -              |
| GAYATRI PROJECT                  | -          | -              | 10/-       | 2,233          |
| GLAXO SMITH PHARMA               | 10/-       | 225            | -          | -              |
| GODREJ INDUSTRIES                | 1/-        | 50             | -          | -              |
| GOVIND RUBBER                    | -          | -              | 10/-       | 6,500          |
| GUJARAT NRE COKE CLASS B         | -          | -              | 10/-       | 2,450          |
| GTL LTD.                         | 10/-       | 30000          | -          | -              |
| HDFC BANK                        | 2/-        | 145            | 2/-        | 46             |
| HDFC BANK (Split) Of Rs.2/- each | 2/-        | 1855           | -          | -              |
| HOUSING DEVELOPMENT FINANCE CO.  | 2/-        | 199            | 2/-        | 1,405          |
| HERO MOTOCORP                    | 2/-        | 346            | -          | -              |
| HERO HONDA                       | -          | -              | 2/-        | 210            |
| HINDUSTAN PETROLIUM CORPORATION  | -          | -              | 10/-       | 272            |
| HINDUSTAN VIDYUT PRODUCT         | -          | -              | 10/-       | 1,300          |
| HINDUSTAN UNILIVER LTD.          | 1/-        | 830            | -          | -              |
| ICICI BANK                       | 10/-       | 876            | -          | -              |
| INDO ASIAN FUSE (EON ELECTRO)    | -          | -              | 10/-       | 51             |
| INDRAPRASTHA GAS LTD.            | 10/-       | 2182           | -          | -              |
| INFOSYS TECHNOLOGIES             | 5/-        | 126            | 5/-        | 43             |
| ITC LTD                          | 1/-        | 1131           | 1/-        | 2,746          |
| JINDAL SAW PIPES LTD.            | 1/-        | 1500           | -          | -              |
| KIRLOSKER FERROUS                | -          | -              | 5/-        | 10,000         |
| LARSEN & TUBRO                   | -          | -              | 2/-        | 159            |
| MADHUCON PROJECT                 | -          | -              | 1/-        | 10,400         |
| MARUTI SUZUKI                    | 5/-        | 1              | -          | -              |
| MARUTI UDYOUG                    | -          | -              | 5/-        | 110            |
| MOIL                             | -          | -              | 10/-       | 17             |
| MUTHOOT FINANCE LTD.             | 10/-       | 2575           | -          | -              |
| NAGARJUNA CONSTRUCTION           | -          | -              | 2/-        | 2,500          |
| NESTLE INDIA LTD.                | 10/-       | 88             | -          | -              |
| OPTO CIRCUIT                     | 10/-       | 775            | 10/-       | 469            |
| PRITHVI SOFTECK                  | 1/-        | 100            | -          | -              |
| PIPAVAV SHIPYARD LTD.            | 10/-       | 5130           | -          | -              |
| RADHE DEVELOPERS                 | 10/-       | 54944          | 1/-        | 115,000        |
| RALLIS INDIA LTD.                | 1/-        | 250            | -          | -              |
| RELIANCE POWER LTD.              | 10/-       | 700            | -          | -              |
| RELIANCE COMMUNICATION           | -          | -              | 5/-        | 5,000          |
| RELIANCE INDUSTRIES              | -          | -              | 10/-       | 69             |
| SOUTH INDIAN CORP                | -          | -              | 10/-       | 5,000          |
| SOUTHERN PETROCHEMICALS          | -          | -              | 10/-       | 40,000         |
| SREI INFRACTURE (BONUS)          | -          | -              | 10/-       | 8,000          |
| State bank of india              | 10/-       | 327            | -          | -              |
| SUN PHARMA                       | -          | -              | 1/-        | 200            |
| SUN PHARMA- Split                | -          | -              | 1/-        | 1,820          |
| SUN PHARMA ADV                   | 1/-        | 15000          | -          | -              |
| SUZLON ENERGY                    | 2/-        | 4000           | -          | -              |
| TATA CONSULTANCY SERVICES        | 1/-        | 191            | -          | -              |
| TATA MOTORS                      | -          | -              | 10/-       | 278            |
| TATA MOTORS DVR                  | -          | -              | 10/-       | 377            |
| TATA STEELS                      | -          | -              | 10/-       | 883            |
| THE ORISSA MINERALS DEVELOPMENT  | -          | -              | 10/-       | 50             |
| TITAN INDUSTRIES                 | 1/-        | 2686           | -          | -              |
| TUBE INVESTMENT                  | -          | -              | 2/-        | 22,800         |
| VARUN SHIPPING                   | -          | -              | 10/-       | 56,379         |
| VIP INDUSTRIES                   | 2/-        | 4000           | -          | -              |
| WINDSOR MACHINERY                | 10/-       | 18600          | 10/-       | 9,300          |
| YES BANK                         | 10/-       | 487            | 10/-       | 1,371          |
|                                  | -          | <b>178,570</b> |            | <b>354,681</b> |

## PRISM FINANCE LIMITED

### SALE OF SHARES & OTHER DEDUCTIONS:

|                                       | 2011-2012  |          | 2010-2011  |          |
|---------------------------------------|------------|----------|------------|----------|
|                                       | FACE VALUE | QUANTITY | FACE VALUE | QUANTITY |
| ADANI ENTERPRISE                      | -          | -        | 1/-        | 721      |
| ADITYA BIRLA                          | -          | -        | 10/-       | 194      |
| ANG INDUSTRIES                        | -          | -        | 10/-       | 5,000    |
| BHARAT HEAVY ELE                      | 2/-        | 229      | 10/-       | 52       |
| BHARAT PETROLIUM                      | -          | -        | 10/-       | 715      |
| BAJAJ AUTO                            | 5/-        | 80       | -          | -        |
| BHARTI AIRTEL                         | 2/-        | 500      | 5/-        | 2,636    |
| BINANI CEMENT                         | -          | -        | 10/-       | 12,808   |
| CESE LTD                              | -          | -        | 10/-       | 455      |
| COAL INDIA                            | 10/-       | 3853     | 10/-       | 499      |
| DEEP INDUSTRIES                       | -          | -        | 10/-       | 10,900   |
| DISH TV                               | 1/-        | 5298     | -          | -        |
| DR READDY                             | 5/-        | 134      | -          | -        |
| DIVIS LAB                             | -          | -        | 2/-        | 338      |
| DLF                                   | -          | -        | 2/-        | 888      |
| DELTACORPLTD                          | 1/-        | 5000     | -          | -        |
| EDELWEISS CAPITAL                     | -          | -        | 1/-        | 671      |
| ESCORT                                | -          | -        | 10/-       | 528      |
| ESSAR OIL                             | -          | -        | 10/-       | 1,316    |
| FDC LTD                               | 1/-        | 3000     | -          | -        |
| GAMON INDIA LTD.                      | 2/-        | 3500     | -          | -        |
| GAYATRI PROJECT                       | -          | -        | 10/-       | 2,233    |
| GLOBAL TELE                           | -          | -        | 10/-       | 450      |
| GODREJ INDUSTRIES LTD.                | 1/-        | 50       | -          | -        |
| GMDC                                  | -          | -        | 2/-        | 863      |
| GUJARAT NARMADA FERTILIZERS           | -          | -        | 10/-       | 276      |
| HDFC BANK                             | 2/-        | 721      | 2/-        | 11       |
| HDFC BANK ( Split)                    | 10/-       | 371      | -          | -        |
| HERO HONDA                            | 2/-        | 21       | 2/-        | 210      |
| HINDUSTAN UNILIVEAR                   | 1/-        | 830      | -          | -        |
| HINDUSTAN PETROLIUM COR               | -          | -        | 10/-       | 272      |
| HOUSING DEVELOPMENT FINANCE-          | 2/-        | 436      | 2/-        | 263      |
| HOUSING DEVELOPMENT FINANCE-for Split | -          | -        | 10/-       | 281      |
| ICICI BANK                            | 10/-       | 876      | 10/-       | 32       |
| INDUSTRAPRASTH GAS                    | 10/-       | 522      | -          | -        |
| INDIAN OIL CORPORATION                | -          | -        | 10/-       | 500      |
| ITC 1/-                               | 2225       | 1/-      | 393        | -        |
| INFOSYS TECH                          | 5/-        | 162      | -          | -        |
| JBF INDUSTRIES                        | -          | -        | 10/-       | 2,298    |
| JINDAL SAW PIPES                      | 1/-        | 1500     | -          | -        |
| KIRLOSKAR FERRO                       | -          | -        | 2/-        | 58,000   |
| L&T                                   | 2/-        | 206      | 2/-        | 205      |
| MADHUCON PROJECT                      | -          | -        | 1/-        | 10,400   |
| MARUTI UDYOG                          | -          | -        | 5/-        | 363      |
| MARUTI SUZUKI                         | 5/-        | 1        | -          | -        |
| MUTHOOT FINANCE                       | 10/-       | 2575     | -          | -        |
| MERCATOR LINES                        | -          | -        | 1/-        | 3,212    |
| MUNDRA PORT                           | -          | -        | 2/-        | 1,000    |
| NB VENTURE                            | -          | -        | 2/-        | 1,420    |
| NETWORK 18 MEDIA & INVESTMENT         | -          | -        | 5/-        | 1,831    |
| NTPC                                  | -          | -        | 10/-       | 1,486    |
| ONGC                                  | -          | -        | 5/-        | 158      |
| OPTO CIRCUIT                          | 10/-       | 646      | 10/-       | 744      |
| PRITHVI SOFTECK                       | 10/-       | 1000     | -          | -        |
| PANTALON RETAILS                      | -          | -        | 2/-        | 508      |
| PIPAVAV SHIPYARD                      | 10/-       | 5130     | -          | -        |
| PTC INDIA                             | -          | -        | 10/-       | 1,684    |
| RADHE DEVELOPERS                      | 10/-       | 549440   | -          | -        |
| RANBAXY LABS                          | -          | -        | 5/-        | 54       |

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|  | 2011-2012  |                | 2010-2011  |                |
|--|------------|----------------|------------|----------------|
|  | FACE VALUE | QUANTITY       | FACE VALUE | QUANTITY       |
| REC LTD                                  | -          | -              | 10/-       | 2,846          |
| RELIANCE COMMUNICATION                   | -          | -              | 5/-        | 5,000          |
| RELIANCE INDUSTRIES                      | 5/-        | 548            | 10/-       | 435            |
| RELIANCE POWER                           | 10/-       | 700            | -          | -              |
| SOUTHERN PETRO CHEMICALS                 | -          | -              | 10/-       | 40,000         |
| STATE BANK OF INDIA                      | 10/-       | 524            | 10/-       | 67             |
| STERLITE INDUSTRIES                      | -          | -              | 1/-        | 797            |
| SUN PHARMA                               | 1/-        | 606            | 1/-        | 293            |
| SUN PHARMA- for Split                    | -          | -              | 5/-        | 364            |
| SUZLON ENGERY                            | 2/-        | 4000           | 2/-        | 3,340          |
| TATA MOTORS                              | -          | -              | 10/-       | 278            |
| TATA MOTORS DVR                          | -          | -              | 10/-       | 377            |
| TATA STEEL                               | 10/-       | 883            | -          | -              |
| TCS                                      | 1/-        | 65             | 1/-        | 40             |
| TORRENT POWER                            | -          | -              | 10/-       | 1,992          |
| TRIVENI ENGINEERING                      | -          | -              | 1/-        | 1,687          |
| TUBE INVESTMENT                          | 2/-        | 22000          | -          | -              |
| UNITED SPIRITS                           | -          | -              | 10/-       | 108            |
| VIP INDUSTRIES LTD                       | 2/-        | 4000           | -          | -              |
| YES BANK                                 | 10/-       | 236            | -          | -              |
| WINDSOR MACHINARIES                      | 2/-        | 9300           | -          | -              |
| <b>TOTAL</b>                             |            | <b>631,168</b> |            | <b>184,492</b> |
| <b>PURCHASE OF MUTUAL FUND</b>           |            |                |            |                |
| PRINCIPAL CASH MAGNUM FUND               | 10/-       | 266,021        | 10/-       | 508,502        |
| PRINCIPAL CASH MGMT. FUND INST.PREMIUM-G |            | 518            |            | -              |
| KOTAK WEEKLY DIVIDEND                    | -          | -              | 10/-       | 265            |
| <b>TOTAL</b>                             |            |                |            |                |
| <b>SALE OF MUTUAL FUND</b>               |            |                |            |                |
| PRINCIPAL CASH MAGNUM FUND               | 10/-       | 452,530        | 10/-       | 325,300        |
| KOTAK WEEKLY DIVIDEND                    | 10/-       | -              | 10/-       | 49,871         |

| Particulars                         | As at<br>March 31, 2012<br>Rupees | As at<br>March 31, 2011<br>Rupees |
|-------------------------------------|-----------------------------------|-----------------------------------|
| <b>NOTE : J</b>                     |                                   |                                   |
| <b>LONG TERM LOANS AND ADVANCES</b> |                                   |                                   |
| <b>Long Term Loans and Advances</b> |                                   |                                   |
| <b>(Unsecured, considered good)</b> |                                   |                                   |
| Loans given                         | 4,455,000                         | 4,455,000                         |
| Deposit                             | 108,500                           | 108,500                           |
| <b>Total</b>                        | <b>4,563,500</b>                  | <b>4,563,500</b>                  |

**Other Disclosures:**

These include amount due from following either severally or jointly:

|   |     |     |
|---|-----|-----|
| Directors   | Nil | Nil |
| Other Officers of the Company                             | Nil | Nil |
| Firm in Which Director is a Partner                       | Nil | Nil |
| Private Company in which Director is a Director or Member | Nil | Nil |

## PRISM FINANCE LIMITED

| Particulars   | As at<br>March 31, 2012<br>Rupees                    | As at<br>March 31, 2011<br>Rupees                    |
|---|--|--|
| <b>NOTE :K</b>  |  |  |
| <b>TRADE RECEIVABLES</b>  |  |  |
| <b>Unsecured, considered good:</b>  |  |  |
| Outstanding for a period of 6 months  | -  | -  |
| Others  | <u>2,830,898</u>                                     | <u>3,528,461</u>                                     |
|   | <b>2,830,898</b>                                     | <b>3,528,461</b>                                     |
| Less: Provision for NPA   | -  | -  |
| <b>Total</b>  | <u><b>2,830,898</b></u>                              | <u><b>3,528,461</b></u>                              |
| <b>These include amount due from following either severally or jointly:</b> |  |  |
| Directors   | Nil  | Nil  |
| Other Officers of the Company   | Nil  | Nil  |
| Firm in Which Director is a Partner   | Nil  | Nil  |
| Private Company in which Director is a Director or Member                   | Nil  | Nil  |
| <b>NOTE : L</b>   |  |  |
| <b>CASH AND CASH EQUIVALENTS</b>  |  |  |
| <b>Balances with Banks</b>  |  |  |
| In Current Accounts   | 1,554,482  | 346,963  |
| <b>Cash on Hand</b>   | <u>338,873</u>                                       | <u>405,167</u>                                       |
| <b>Total</b>  | <u><b>1,893,355</b></u>                              | <u><b>752,130</b></u>                                |
| <b>NOTE : M</b>   |  |  |
| <b>SHORT TERM LOANS AND ADVANCES</b>  |  |  |
| <b>Unsecured, considered good</b>   |  |  |
| Loans given   | 17,837,219   | 19,407,090   |
| Advances recoverable in cash or in kind or for value to be received         | <u>754,301</u>                                       | <u>1,336,471</u>                                     |
| <b>Total</b>  | <u><b>18,591,520</b></u>                             | <u><b>20,743,560</b></u>                             |
| <b>Other Disclosures:</b>   |  |  |
| <b>These include amount due from following either severally or jointly:</b> |  |  |
| Directors   | Nil  | Nil  |
| Other Officers of the co  | Nil  | Nil  |
| Firm in Which Director is a Partner   | Nil  | Nil  |
| Private Company in which Director is a Director or Member                   | Nil  | Nil  |
| Particulars   | For the Year<br>ended On<br>March 31, 2012<br>Rupees | For the Year<br>Ended On<br>March 31, 2011<br>Rupees |
| <b>NOTE : N</b>   |  |  |
| <b>REVENUE FROM OPERATIONS</b>  |  |  |
| Discounting charges   | 618,937  | 570,458  |
| Dividend income   | 441,849  | 336,928  |
| Profit/(Loss) in Trading of Share/Derevatives (Net)                         | (904,449)  | (183,560)  |
| Profit on Sale of Shares / Mutual Fund                                      | 2,501,065  | 2,652,996  |
| Interest income   | <u>114,288</u>                                       | -  |
| <b>Total</b>  | <u><b>2,771,690</b></u>                              | <u><b>3,376,823</b></u>                              |
| <b>NOTE : O</b>   |  |  |
| <b>OTHER INCOME</b>   |  |  |
| Car higher charges  | 480,000  | 400,200  |
| Rent income   | 367,810  | 332,948  |
| Others  | <u>175,000</u>                                       | -  |
| <b>Total</b>  | <u><b>1,022,810</b></u>                              | <u><b>733,148</b></u>                                |

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| Particulars                                       | For the Year<br>ended On<br>March 31, 2012<br>Rupees | For the Year<br>Ended On<br>March 31, 2011<br>Rupees |
|---|--|--|
| <b>NOTE : P</b>                                   |  |  |
| <b>PAYMENTS TO AND PROVISIONS FOR EMPLOYEES</b>   |  |  |
| Salaries and Wages                                | 183,000  | 141,650  |
| Staff Welfare Expenses                            | -  | 25,850   |
| <b>Total</b>                                      | <b>183,000</b>                                       | <b>167,500</b>                                       |
| <b>NOTE : Q</b>                                   |  |  |
| <b>OTHER EXPENSES:</b>                            |  |  |
| Advertisement Expenses                            | 1,683  | 1,530  |
| Demate Charges                                    | 7,581  | 16,544   |
| Filing Fees                                       | 500  | 1,000  |
| Insurance expenses                                | 54,203   | 46,976   |
| Interest Expenses                                 | 1,920  | 19,777   |
| Legal & Professional expenses                     | 120,549  | 106,000  |
| Listing Fees                                      | 20,000   | 35,000   |
| Portfolio Management Fees                         | 350,847  | 366,050  |
| Repairs & Maintenance                             | -  | 3,309  |
| Telephone & Fax expenses                          | -  | 1,657  |
| Provision for diminuation in value of Investments | 1,062,064  | -  |
| General Expenses                                  | 28,234   | 23,530   |
| <b>Total</b>                                      | <b>1,647,581</b>                                     | <b>621,373</b>                                       |

### NOTE- R : NOTES FORMING PART OF ACCOUNTS

#### 1. Significant Accounting Policies:

- a) The Company following the mercantile system of accounting and these account comply with the Accounting Standars referred to in section 211(3C) of the Companies Act, 1956.
- b) **Fixed Assets and Depreciation :-**
  - (i) Fixed Assets are stated at cost and include incidental and/or installation expenses incurred in putting the assets to use.
  - (ii) Depreciation is provided on straight line method at the rates prescribed under schedule XIV of the Companies Act.1956. Depreciation on additions to assets during the year is provided on a proportionate basis.
- c) **Revenue Recognition:**
  - (i) In respect of lease rentals arising out of lease agreements and hire purchase charges arising out of hire purchase agreements. It is the company's general policy to accure income/ expenses as per the terms of the agreement entered into with the lessee.lessors and hirers from time to time. In respect of hire purchase business. The company recognises income on a reducing balance basis
  - (ii) Dividend income are accounted on receipt basis.
  - (iii) Interest on overdue bills has been recognised on cash basis.
- d) **Inventory :**  
Stock on hire has been taken on face value of the hire purchase agreements as reduced by installments matured during the relevant period.
- e) Investment are valued at cost after providing permanent diminuation in value thereof.
- f) The Company follows the prudential norms for income recognition and provides for / write's off of Non-performing Assets as per the prudential norms prescribed by the Reserve Bank of India.
- g) The benefits of leave encashment of leave to employees. Being at the option of the employees is accounted for as and when claimed.

## PRISM FINANCE LIMITED

- h) Provision for Taxation :
- Provision for current tax has been made in accordance with the ordinary provisions of the Income Tax Act.
  - Deferred tax is recognized on timing difference between the accounting income and the taxable income for the year that originates in one period and capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates as on the balance sheet date.

2. Contingent Liability : NIL

3. The legal and Professional charges includes payment to Auditors as under :

|                | Year<br>2011-2012 | Year<br>2010-2011 |
|----------------|-------------------|-------------------|
| Audit Fees     | 40000             | 37550             |
| Other Services | -                 | -                 |
| <b>Total</b>   | <b>40000</b>      | <b>37550</b>      |

4. Balances under the head of unsecured loans, current assets, loans and advances, current liabilities and provisions, few bank balances and certain investments are subject to confirmation and reconciliation.
5. In the opinion of the management of the company, the Current Assets, Loans & Advances are approximately of the same value stated if realised in the ordinary course of business. The provision for the depreciation and for all known liabilities are adequate and not in excess of amount reasonably necessary.
6. Under the Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The company is in the process of compiling relevant information from its suppliers about their coverage under the Act. Since the relevant information is not presently available, no disclosures have been made in the Accounts.
7. The Company has adopted Accounting Standard - AS- 22 "Accounting for Taxes on Income", issued by The Institute of Chartered Accountants of India. The Company has net deferred tax liability as under:-  
The breakup of Net deferred tax liability as At 31.03.2012 arising on account of timing difference in respect of.

| Particulars   | As at 31-03-2012 | As at 31-03-2011 |
|---|------------------|------------------|
| <b>Deferred Tax Liability</b>   |                  |                  |
| Depreciation  | 1,164,149        | 1,166,096        |
| <b>Deferred Tax Assets</b>  |                  |                  |
| Unabsorbed Business Loss & depreciation to the extent of Deferred tax liabilities | 1,164,149        | 1,166,096        |
| <b>Deferred Tax Liability (Net)</b>   | NIL              | NIL              |

8. In view of Accounting Standard As-18 "Related Party Disclosure" issued by the Institute of Chartered Accountant of India and made mandatory in respect of accounting year commencing on or after April 2001, the disclosure in respect of the related party transactions for the year ended 31st March, 2012 are given below:

(Note : Related party relationship and transactions thereof are as certified by the company and relied up on by the auditors as such.)

A. Relationship

- Subsidiaries
  - Opel Securities Ltd.
- Associates of the Company
  - Samurai Holding Pvt. Ltd.
  - Som Shive (Impex) Ltd.
  - Spectratek Industries
- Key Management Personals/Relatives/Individuals
  - Shri Naresh P. Raval - Director
  - Smt. Anal Desai - Director
  - Shri Kashyap Mehta - Director

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B. The Other particulars of the related parties transaction in the ordinary course of business is as under :-

| Sr. Transactions No.                       | Subsidiary                        | Associates                        | Key Management                 |
|--|-----------------------------------|-----------------------------------|--------------------------------|
| 1. Loan Given                              | -                                 | <b>26,043,395</b><br>(13,744,844) | <b>NIL</b>                     |
| 2. Loan Recovered                          | -                                 | <b>26,947,130</b><br>(14,752,183) | <b>NIL</b>                     |
| 3. Loan Obtained                           | -                                 | -<br>(700000)                     | -                              |
| 4. Loan Repaid                             | -                                 | <b>500000</b><br>-                | -                              |
| 5. Interest Income on H.P.                 | -                                 | -<br>-                            | -                              |
| 6. Bill discounting Income                 | -                                 | <b>618,937</b><br>(570,458)       | -                              |
| 7. Professional Charges                    | -                                 | -<br>-                            | <b>64,365</b><br>(62,545)      |
| <b>Amount outstanding as at 31-03-2012</b> |                                   |                                   |                                |
| 1. Outstanding Loans/Advances              | <b>4,455,000</b><br>(4,455,000)   | 5,658,654<br>(6,562,389)          | <b>4,866</b><br>(4,866)        |
| 2. H.P./Bills Discounted                   | -                                 | <b>#REF!</b><br>(1,346,407)       | -                              |
| 3. Outstanding of Loan obtained            | -                                 | <b>200,000</b><br>(700,000)       | <b>NIL</b><br><b>(400,000)</b> |
| 4. Investment                              | <b>11,500,500</b><br>(11,500,500) | -<br>-                            | -                              |
| 5. Creditors for Exps.                     | -                                 | -                                 | <b>5,515</b><br>(4,964)        |

9. The particulars of information pursuant to Part IV of Schedule: VI of the Companies Act, 1956 is as per Annexure attached herewith.
10. There are no other particulars required to be given under part II of schedule VI of the Companies Act.1956.
11. The revised Schedule VI to the Companies Act, 1956 has become effective from 1<sup>st</sup> April,2011 for preparation and presentation of financial statements. This has significantly impacted the disclosure and presentation made in financial statements. Accordingly, the figures for the previous year have been reclassified, wherever necessary to conform with the current year's classification.

As per our Report of even date attached  
For **Shah & Shah Associates**  
**Firm Reg. No. 113742W**  
*Chartered Accountants*

**Sunil K. Dave**  
*Partner*  
Membership No. 047236

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

For and on behalf of the Board

**Anal Desai** *Director*

**Kashyap Mehta** *Director*

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

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CIN: U65910GJ1995PTC028055

Authorised Share Capital: Rs. 200 Lacs

Date of AGM: 25 09 2012

**OPEL SECURITIES PRIVATE LIMITED**

**ANNUAL REPORT 2011-2012**

**BOARD OF DIRECTORS** : **Mr. Rahul A. Patel** Director  
**Mr. Dhiren B. Parikh** Director

**REGISTERED OFFICE** : "Mangalam"  
B/h. Apang Manav Mandal,  
Dr. V. S. Road,  
Ahmedabad - 380 015.

**AUDITORS** : **M/s. Shah & Shah Associates,**  
Chartered Accountants,  
Ahmedabad.

**DIRECTORS' REPORT**

To,  
The Members,  
OPEL SECURITIES PRIVATE LIMITED,

Your Directors have pleasure in presenting their 17<sup>th</sup> Annual report together with audited Balance Sheet as on 31<sup>st</sup> March, 2012 and Statement of Profit & Loss for the year ended on that date.

**1. FINANCIAL RESULTS**

| <u>Particulars</u>                         | <u>2011-12</u>   | (Rs. in lacs)<br><u>2010-11</u> |
|--|------------------|---------------------------------|
| Total Income                               | <b>49.47</b>     | 35.97                           |
| Profit Before Tax                          | <b>48.94</b>     | 34.03                           |
| Less: Provision for Tax                    | -                | -                               |
| Profit after Tax                           | <b>48.94</b>     | 34.03                           |
| Surplus brought forward from previous year | <b>(2230.42)</b> | (2264.45)                       |
| Balance carried to balance sheet           | <b>(2181.48)</b> | (2230.42)                       |

**2. DIVIDEND:**

Due to inadequate profit and past accumulated loss your Directors are unable to declare any dividend on Equity Shares of the Company for the year 2011-12.

**3. PUBLIC DEPOSIT:**

The Company has not invited any deposit from the public during the period under report.

**4. PARTICULARS OF EMPLOYEES:**

There was no employee drawing remuneration requiring disclosure under the Companies (Particulars of Employees) Rules, 1975. The employee employer relation remained cordial during the year.

**5. DIRECTORS:**

Mr. Vidyut A. Sheth ceased to be Director upon resignation with effect from 15<sup>th</sup> November, 2011. As per Articles of Association of the Company, no Director is liable to retire by rotation.

**6. AUDITORS:**

M/s. Shah & Shah Associates, Chartered Accountants, Ahmedabad, the Auditors of the Company retire at the forthcoming Annual General Meeting and being eligible for re appointment have expressed their willingness for the same. The remarks of the Auditors are self - explanatory.

**7. COMPANY LAW COMPLIANCE CERTIFICATE:**

Your Company has obtained Compliance Certificate as required under the proviso to Section 383A of the Companies Act, 1956 from M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad. The said Certificate is attached with this Report.

**8. DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

## **PRISM FINANCE LIMITED**

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- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at 31<sup>st</sup> March, 2012 being end of the Financial Year 2011-12 and of the Profit of the Company for the period;
- (iii) that the Directors have taken proper and sufficient care for 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;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

### **9. PARTICULARS OF EMPLOYEES:**

There was no employee drawing remuneration requiring disclosure under the Companies (Particulars of Employees) Rules, 1975. The employee - employer relation remained cordial during the year.

### **10. HOLDING SUBSIDIARY RELATIONSHIP:**

The Company is a Subsidiary of M/s. Prism Finance Limited pursuant to Section 4(1)(b) of the Companies Act, 1956.

### **11. ACKNOWLEDGEMENT:**

Your Directors express their gratitude for the continued support, co operation, and assistance received by the Company from bankers and shareholders of the Company.

On behalf of the Board of Directors,

Place: Ahmedabad  
Date : 16<sup>th</sup> July, 2012

**Dhiren B. Parikh**      **Rahul A. Patel**  
Director                      Director

**FORM**  
[SEE RULE 3]

## Compliance Certificate

**Authorised Capital: Rs. 200 Lacs****CIN: U65910GJ1995PTC028055**

To,  
The Members,  
**OPEL SECURITIES PRIVATE LIMITED,**  
"Mangalam", B/h. Apang Manav Mandal,  
Dr. V. S. Road,  
Ahmedabad – 380015.

We have examined the registers, records, books and papers of OPEL SECURITIES PRIVATE LIMITED ("the Company") as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on 31<sup>st</sup> March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this Certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this Certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being a Private limited company has the minimum prescribed paid up capital and its maximum number of members during the said Financial Year was 22 (treating joint holders as one member) excluding its present and past employees and the Company during the year under scrutiny:
  - (i) has not invited public to subscribe for its shares or debentures; and
  - (ii) has not invited or accepted any deposits from persons other than its members, directors or their relatives.
4. The Board of Directors duly met six times on 21<sup>st</sup> April, 2011; 20<sup>th</sup> July, 2011; 15<sup>th</sup> November, 2011; 22<sup>nd</sup> November, 2011; 15<sup>th</sup> February, 2012 and 1<sup>st</sup> March, 2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed, in the Minutes Book maintained for the purpose. The Company has not passed any circular resolution during the year.
5. The Company was not required to close its Register of Members.
6. The Annual General Meeting for the Financial Year ended on 31<sup>st</sup> March, 2011 was held on 29<sup>th</sup> September, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. The Company has not held Extraordinary General Meeting of the Company during the financial year.
8. The Company being a Private Company, the provisions of Section 295 of the Act were not applicable to the company.
9. The Company has duly complied with the provisions of Section 297 of the Act to the extent applicable in respect of contracts specified in that Section.
10. The Company has generally made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or the Central Government as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
  - (i) delivered all certificates for the shares lodged for transfer and no allotment was made/ no securities were lodged for transmission or any other purpose during the year under scrutiny;
  - (ii) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year;
  - (iii) not posted warrants to any member of the company as no dividend was declared during the financial year;
  - (iv) not transferred the amounts in Unpaid Dividend Account, application money due for refund, matured deposits, matured debentures, and the interest accrued thereon which have remained unclaimed or unpaid for a period of 7 (seven) years to Investor Education and Protection Fund as there is no such amount;
  - (v) duly complied with the requirements of Section 217 of the Act.

## PRISM FINANCE LIMITED

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14. The Board of Directors of the Company is duly constituted. There was no appointment of any Directors, Additional Director, Alternate Director or Director to fill casual vacancy during the financial year.
15. The Company has not made any appointment of Managing Director/Whole time Director/Manager during the year. The Company being Private Company, the question of approval of Central Government does not arise.
16. The Company has not appointed any sole selling agents during the Financial Year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the Financial Year.
20. The Company has not bought back any shares during the Financial Year.
21. The Company has not issued any preference shares/debentures and hence there is no question of redemption of the same.
22. There were no transactions necessitating the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not accepted or invited any deposit including unsecured loans falling within the purview of Section 58A of the Companies Act, 1956 during the year and hence no comments are offered for the same.
24. The amount borrowed by the Company from Directors, members, public, financial institutions, banks and others, as the case may be, during the Financial Year ending on 31<sup>st</sup> March, 2012 is within the borrowing limits of the Company. The Company being a private company, no resolution under section 293(1)(d) was required to be passed.
25. The Company has not made any loans and investments, or given any guarantees or provided securities to other bodies corporate. The Company being a Private Company, provisions of Section 372A were not applicable during the year.  
The Company was not required to keep any register for the purpose of loans, investments, guarantee and security.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. There has not been any prosecution initiated against or show cause notices received by the Company for alleged offences under the Act and there has not been any fines and penalties or any other punishment imposed on the Company in such cases.
32. The Company has not received any amount as security from its employees during the year under certification and hence the question of deposit of the same as per provisions of Section 417(1) of the Act does not arise.
33. The Company has not constituted any Provident Fund pursuant to section 418 of the Companies Act, 1956 and hence no comments are offered.

For, KASHYAP R. MEHTA & ASSOCIATES  
*Company Secretaries*

Kashyap R. Mehta  
Proprietor  
C.O.P. No. : 1821

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

**Annexure – A**

List of Registers as maintained by the Company:

1. Register of members under Section 150
2. Minutes book of Board meeting under Section 193
3. Minutes book of General Meeting under Section 193
4. Books of Accounts under Section 209
5. Register of Directors etc. under Section 303
6. Register of Directors' shareholding under Section 307
7. Register of general notice of directors under Section 301(3)
8. Register of Contracts under Section 301
9. Register of Charges under Section 143

**Annexure – B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during/relating the financial year ending on 31<sup>st</sup> March, 2012.

A. Registrar of Companies, Gujarat.

| Sr. No. | Form No.     | Under Section | Purpose   | Date of Filing | Whether filed Within time? |
|---------|--------------|---------------|---|----------------|----------------------------|
| 1.      | 66           | 383(A)        | Compliance Certificate for the financial year ended 31 <sup>st</sup> March, 2011                                  | 11-10-2011     | Yes                        |
| 2.      | 20B          | 159           | Annual Return made up to 29 <sup>th</sup> September, 2011   | 11-10-2011     | Yes                        |
| 3.      | 23AC & 23ACA | 220           | Balance Sheet and Profit & Loss Account as on 31 <sup>st</sup> March, 2011 with the all annexure and attachments. | 31-10-2011     | No Additional fees paid    |
| 4.      | 32           | 303(2)        | Particulars of Cessation of Director.   | 11-02-2011     | Yes                        |

B. Regional Director, Central Government or other Authorities

|     |
|-----|
| Nil |
|-----|

For, KASHYAP R. MEHTA & ASSOCIATES  
Company Secretaries

Kashyap R. Mehta  
Proprietor  
C.O.P. No. : 1821

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

## PRISM FINANCE LIMITED

### AUDITORS' REPORT

To,  
The Members of  
M/S. OPEL SECURITIES PRIVATE LIMITED

We have audited the attached Balance Sheet of M/S. OPEL SECURITIES PRIVATE LIMITED, as at 31<sup>st</sup> March 2012, the statement of Profit & Loss and the cash flow statement for the year ended on that date. 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 have conducted our audit in accordance with Standards on Auditing generally accepted in India. These 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 presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies' (Auditors' Report) (Amendment) Order 2004, issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that :

1. 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;
2. 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 these books
3. The Balance sheet, the statement Profit & Loss and the cash flow statement dealt with by this report are in agreement with the books of account.
4. In our opinion, these financial statements have been prepared in compliance with the applicable accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
5. Based on representations made by the directors of the company, as on 31<sup>st</sup> March, 2012 and taken on record by the Board, none of the directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, the statement of Profit & Loss and the cash flow statement read with and subject to Notes thereon referred to in Note No. M; give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
  - (a) in the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2012;
  - (b) in the case of Statement of Profit & Loss, of the profit for the year ended on that date; and
  - (c) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

**For Shah & Shah Associates**  
*Chartered Accountants*  
Firm Registration No. 113742W

Place : Ahmedabad  
Dated : 16<sup>th</sup> July, 2012

**Annexure to the Auditors' Report**  
**(Referred to in paragraph (3) of our report of even date)**

**(Nimish B. Shah)**  
*Partner*  
Membership No. 30102

To,  
The Members of  
M/S. OPEL SECURITIES PRIVATE LIMITED

1. The company does not own any fixed assets. Hence provisions of clause 4(i)(a) to clause 4(i)(c) of the Order are not applicable to the Company.
2. The nature of the Company's business/activities during the year is such that none of the matters under clause 4(ii) (a) to clause 4 (ii) (c) are not applicable or call for a statement for the period under audit.
3. The company has granted interest free unsecured loans to three companies listed in the register maintained under section 301 of the Companies Act, 1956 and the year-end balance of such loans was Rs. 29,855,000/- .

According to the information and explanation provided to us, other terms and condition of such loans are not prima facie prejudicial to the interest of the company. No stipulations have been made for repayment of such loans granted.

The company has taken interest free unsecured loan from four companies listed in the register maintained under section 301 of the Companies Act, 1956, and the year-end balance of such loan was Rs. 897,062,000/-. According to the information and explanation provided to us, other terms and condition of such loan are not prima facie prejudicial to the interest of the company. No stipulations have been made for repayment of such loans granted.

4. In our opinion and explanation given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of equipments and other assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal controls.
5. According to the information and explanations given to us, there were no contracts or arrangements that were required to be entered into the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 5,00,000 or more in respect to each such party.
6. As explained to us, the company has not accepted any deposits from the public.
7. The company did not have any formal internal audit system during the year under review. In the opinion of the management, the existing internal control procedures are adequate and hence separate internal audit is not called for.
8. The nature of the Company's business/activities during the period under audit is such that clause 4(viii) regarding maintenance of cost records is not applicable to the company.
9. Based on our audit procedure and according to information and explanation provided to us, the company is regular in depositing undisputed statutory dues with the appropriate authority. According to the information and explanation provided to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2012 for a period of more than six months from the date of becoming payable.  
There is no disputed amount payable of the aforesaid statutory dues with the appropriate authority.
10. Accumulated losses of the company as at March 31, 2012 exceeds the net worth of the company as at that date. The company has neither incurred cash losses in the financial year ended on that date nor had it incurred any cash losses in the immediately preceding financial year.
11. The company has not borrowed from financial institution or bank or issued debentures till the end of the year.
12. In our opinion and according to information and explanation given to us, the company has not granted any loan or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of special statute applicable to chit fund, Nidhi/Mutual Benefit fund/societies are not applicable to the company.
14. The company is not a dealer or trader in securities. However, with respect to its investments; the company has maintained proper records of transactions and contracts and timely entries for the same have been made. As informed to us, the Company has held all the investment in shares in its own name.
15. The company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The company has not taken any term loan during the year under review.
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 no fund raised on short term basis have been used to finance long term investment.
18. As per information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956.
19. During the year under review the company has not issued any debentures.
20. The company has not raised money by any public issues during the year under audit and hence the question of disclosure and verification of end use of such money does not arise.
21. As per the information and explanations given to us and on the basis of examination of records, no material fraud on or by the company was noticed or reported during the year.

**For Shah & Shah Associates**  
*Chartered Accountants*  
Firm Registration No. 113742W

Place : Ahmedabad  
Dated : 16<sup>th</sup> July, 2012

**(Nimish B. Shah)**  
*Partner*  
Membership No. 30102

**PRISM FINANCE LIMITED**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2012**

| Particulars  | Refer<br>Note No. | As At March 31,2012  |                             | As At March 31,2011  |                           |
|--|-------------------|----------------------|-----------------------------|----------------------|---------------------------|
|  |                   | Rupees               | Rupees                      | Rupees               | Rupees                    |
| <b>EQUITY AND LIABILITIES :</b>                              |                   |                      |                             |                      |                           |
| <b>Shareholders' Funds</b>                                   |                   |                      |                             |                      |                           |
| Share capital  | A                 | 17,502,000           |                             | 17,502,000           |                           |
| Reserves and Surplus   | B                 | <u>(210,647,834)</u> |                             | <u>(215,542,277)</u> |                           |
|  |                   |                      | (193,145,834)               |                      | (198,040,277)             |
| <b>Share application Money</b>                               |                   |                      |                             |                      |                           |
| Pending Allotment  |                   |                      | 301,975,000                 |                      | 15,475,000                |
| <b>Non-Current Liabilities</b>                               |                   |                      |                             |                      |                           |
| Long-term borrowings   | C                 | 897,062,000          |                             | 1,133,812,000        |                           |
| Other Non Current Liabilities                                | D                 | <u>1,213</u>         |                             | <u>1,213</u>         |                           |
|  |                   |                      | 897,063,213                 |                      | 1,133,813,213             |
| <b>Current Liabilities</b>                                   |                   |                      |                             |                      |                           |
| Other current liabilities                                    | E                 |                      | <u>28,024</u>               |                      | <u>24,708</u>             |
| <b>TOTAL</b>   |                   |                      | <u><b>1,005,920,403</b></u> |                      | <u><b>951,272,644</b></u> |
| <b>ASSETS :</b>  |                   |                      |                             |                      |                           |
| <b>Non-Current Assets</b>                                    |                   |                      |                             |                      |                           |
| Non-current investments                                      | F                 | 975,547,082          |                             | 934,897,082          |                           |
| Long-term loans and advances                                 | G                 | <u>15,505,000</u>    |                             | <u>15,505,000</u>    |                           |
|  |                   |                      | 991,052,082                 |                      | 950,402,082               |
| <b>Current Assets</b>  |                   |                      |                             |                      |                           |
| Cash and cash equivalents                                    | H                 | 118,321              |                             | 620,562              |                           |
| Short-term loans and advances                                | I                 | <u>14,750,000</u>    |                             | <u>250,000</u>       |                           |
| Other current assets   |                   |                      | <u>14,868,321</u>           |                      | <u>870,562</u>            |
| <b>TOTAL</b>   |                   |                      | <u><b>1,005,920,403</b></u> |                      | <u><b>951,272,644</b></u> |
| <b>Significant Accounting Policies and Notes to Accounts</b> | L                 |                      |                             |                      |                           |

As per our Report of even date attached  
For **Shah & Shah Associates**  
Chartered Accountants

**Nimish B. Shah**  
Partner  
Mem. No. 30102

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

For and on behalf of the Board

**Dhiren B. Parikh** Director

**Rahul A. Patel** Director

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

| Particulars                                | Refer<br>Note No. | For the Year<br>ended On<br>March 31, 2012<br>Rupees | For the Year<br>Ended On<br>March 31, 2011<br>Rupees |
|--|-------------------|--|--|
| I Revenue from Operations                  | Y                 | 4,946,533  | 3,597,030  |
| II Total Revenue                           |                   | <u>4,946,533</u>                                     | <u>3,597,030</u>                                     |
| III Expenses :                             |                   |  |  |
| Other expenses:                            | K                 | 52,090   | 193,903  |
| <b>Total Expenses</b>                      |                   | <u>52,090</u>  | <u>193,903</u>                                       |
| IV Profit Before Tax (II-III)              |                   | 4,894,443  | 3,403,127  |
| VI Tax Expense                             |                   |  |  |
| Current Tax                                |                   |  |  |
| VII Profit for the year                    |                   | 4,894,443  | 3,403,127  |
| VIII Earning Per Equity Share              |                   |  |  |
| Basic & Diluted                            |                   | 2.80   | 1.94   |
| Notes Forming Part of Financial Statements | L                 |  |  |

As per our Report of even date attached  
For **Shah & Shah Associates**  
*Chartered Accountants*

**Nimish B. Shah**  
*Partner*  
*Mem. No. 30102*

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

For and on behalf of the Board

**Dhiren B. Parikh**      *Director*  
**Rahul A. Patel**        *Director*

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

**PRISM FINANCE LIMITED**

**CASH FLOW STATEMENT PREPARED FOR THE PERIOD ENDED 31/3/2012**

| PARTICULARS   | FOR THE YEAR<br>ENDED ON<br>31/03/2012 | FOR THE YEAR<br>ENDED ON<br>31/03/2011 |
|---|--|--|
| <b>A) Cash flows from operating activities</b>                  |  |  |
| Net profit before taxes and extraordinary items                 | 4,894,443                              | 3,403,127                              |
| Advances for warrants written off                               |  | -                                      |
| Operating Profit before Working capital changes                 | 4,894,443                              | 3,403,127                              |
| Add:  |  |  |
| Increase/(Decrease) in Unsecured Loans                          | 49,750,000                             | 286,500,000                            |
| (Increase)/Decrease in Loans and Advances                       | -14,500,000                            | 250,000                                |
| Increase/(Decrease) in Current Liabilities                      | 3,316                                  | 13,788                                 |
| Cash generated from operations                                  | 40,147,759                             | 290,166,915                            |
| Direct taxes paid (Net of Refund received)                      | -                                      | -                                      |
| <b>Net cash flow from operating activities</b>                  | <b>40,147,759</b>                      | <b>290,166,915</b>                     |
| <b>B) Cash flows from investing activities</b>                  |  |  |
| Sintex Industries Ltd Shares                                    | -                                      | -289,624,761                           |
| Samurai Hodings Pvt. Ltd.                                       | -40,650,000                            | -                                      |
| <b>Net Cash flow from investing activities</b>                  | <b>-40,650,000</b>                     | <b>-289,624,761</b>                    |
| <b>C) Cash flows from financing activities</b>                  |  |  |
| <b>Net Cash flow from financing activities</b>                  | <b>-</b>                               | <b>-</b>                               |
| <b>Increase/(Decrease) in Cash &amp; Cash equivalents</b>       | <b>-502,241</b>                        | <b>542,154</b>                         |
| <b>Cash &amp; Cash equivalents at the beginning of the year</b> | <b>620,562</b>                         | <b>78,408</b>                          |
| <b>Cash &amp; Cash equivalents as at the end of the year</b>    | <b>118,321</b>                         | <b>620,562</b>                         |

**NOTES FORMING PART OF THE ACCOUNTS**

| Particulars                            | As at March 31, 2012 |                   | As at March 31, 2011 |                   |
|--|----------------------|-------------------|----------------------|-------------------|
|  | Number               | Rupees            | Number               | Rupees            |
| <b>Note: A</b>                         |                      |                   |                      |                   |
| <b>SHARE CAPITAL</b>                   |                      |                   |                      |                   |
| <b>Authorise:</b>                      | <u>2,000,000</u>     | <u>20,000,000</u> | <u>2,000,000</u>     | <u>20,000,000</u> |
| Equity Shares of Rs.10/- each          |                      |                   |                      |                   |
| <b>Issued:</b>                         | <u>1,750,200</u>     | <u>17,502,000</u> | <u>1,750,200</u>     | <u>17,502,000</u> |
| Equity Shares of Rs.10/- each          |                      |                   |                      |                   |
| <b>Subscribed &amp; Fully Paid up:</b> | <u>1,750,200</u>     | <u>17,502,000</u> | <u>1,750,200</u>     | <u>17,502,000</u> |
| Equity Shares of Rs.10/- each          |                      |                   |                      |                   |
| <b>Total</b>                           | <u>1,750,200</u>     | <u>17,502,000</u> | <u>1,750,200</u>     | <u>17,502,000</u> |

**Disclosure Pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956**

| Particulars                                     | Equity Shares |            |
|---|---------------|------------|
|   | Number        | Rupees     |
| Shares Outstanding at the Beginning of the Year | 1,750,200     | 17,502,000 |
| Shares Issued During the Year                   | -             | -          |
| Shares Bought Back During the Year              | -             | -          |
| Shares Outstanding at the end of the Year       | 1,750,200     | 17,502,000 |

**Disclosure Pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956**

Details of shareholding more than 5% shares in the Company

| Particulars                 | As at March 31, 2012 |              | As at March 31, 2011 |              |
|-----------------------------|----------------------|--------------|----------------------|--------------|
|                             | No. of Shares held   | % of Holding | No. of Shares held   | % of Holding |
| Prism Finance Ltd.          | 1,150,000            | 65.71%       | 1,150,000            | 65.71%       |
| B.V.M Finance Ltd.          | 350,000              | 20.00%       | 350,000              | 20.00%       |
| Buddishchandra C. Shah(HUF) | 107,500              | 6.14%        | -                    | 0.00%        |
| Shantilal Motibhai Shah     | 92,500               | 5.29%        | -                    | 0.00%        |

**Disclosure Pursuant to Note no. 6(A)(i) of Part I of Schedule VI to the Companies Act, 1956**

| Particulars  | Financial Year<br>(Aggregate No. of Shares) |                    |
|--|---|--------------------|
|  | For the year ended On 31.03.2012            | 2006-07 to 2010-11 |
| <b>Equity Shares :</b>   |   |                    |
| Issued Fully paid up shares pursuant to contract(s) without payment being received in cash | Nil   | Nil                |
| Issued Fully paid up shares by way of bonus shares   | Nil   | Nil                |
| Shares bought back   | Nil   | Nil                |

**Disclosure Pursuant to Note no. 6(A)(k) of Part I of Schedule VI to the Companies Act, 1956**

| Unpaid Calls as at March 31,2012 | As at March 31,2012 | As at March 31,2011 |
|----------------------------------|---------------------|---------------------|
|                                  | Rupees              | Rupees              |
| By Directors                     | Nil                 | Nil                 |
| By Officers                      | Nil                 | Nil                 |

## PRISM FINANCE LIMITED

| Particulars  | As at<br>March 31, 2012<br>Rupees | As at<br>March 31, 2011<br>Rupees |
|--|-----------------------------------|-----------------------------------|
| <b>Note: B</b>   |                                   |                                   |
| <b>RESERVES &amp; SURPLUS</b>  |                                   |                                   |
| Securities premium   | 7,500,000                         | 7,500,000                         |
| <b>Profit &amp; Loss account</b>   |                                   |                                   |
| Balance as per last balance sheet  | (223,042,277)                     | (226,445,404)                     |
| Add: Net profit for the current period   | 4,894,443                         | 3,403,127                         |
| Closing balance  | <u>(218,147,834)</u>              | <u>(223,042,277)</u>              |
| <b>Total</b>   | <u><b>(210,647,834)</b></u>       | <u><b>(215,542,277)</b></u>       |
| <b>NOTE : C</b>  |                                   |                                   |
| <b>LONG TERM BORROWINGS</b>  |                                   |                                   |
| <b>Unsecured Loans</b>   |                                   |                                   |
| From Related Parties   | 897,062,000                       | 847,312,000                       |
| From Others  | -                                 | 286,500,000                       |
| <b>Total</b>   | <u><b>897,062,000</b></u>         | <u><b>1,133,812,000</b></u>       |
| There is no default in repayment of principal amount and deposits are interest free. |                                   |                                   |
| <b>NOTE : D</b>  |                                   |                                   |
| <b>OTHER NON CURRENT LIABILITIES</b>   |                                   |                                   |
| Other Liabilities  | 1,213                             | 1,213                             |
| <b>Total</b>   | <u><b>1,213</b></u>               | <u><b>1,213</b></u>               |
| <b>NOTE : E</b>  |                                   |                                   |
| <b>OTHER CURRENT LIABILITIES</b>   |                                   |                                   |
| Creditors For Expenses   | 28,024                            | 24,708                            |
| <b>Total</b>   | <u><b>28,024</b></u>              | <u><b>24,708</b></u>              |
| <b>NOTE : F</b>  |                                   |                                   |
| <b>NON-CURRENT INVESTMENTS</b>   |                                   |                                   |
| <del>Other Investments : (At Cost)</del>   |                                   |                                   |
| <del>Investment in Equity instruments: Quoted</del>                                  |                                   |                                   |
| <b>(a) Others</b>  |                                   |                                   |
| 76,01,050 Equity Shares of Sintex Industries limited of Rs.1/- each fully paid up    | 934,897,082                       | 934,897,082                       |
| <del>Investment in Equity instruments: UnQuoted</del>                                |                                   |                                   |
| 81,300 Equity Shares of Samurai Holdings Pvt Ltd of Rs.10 each                       | 40,650,000                        | -                                 |
| <b>Total</b>   | <u><b>975,547,082</b></u>         | <u><b>934,897,082</b></u>         |
| Aggregate amount of Unquoted investments   | 40,650,000                        | -                                 |
| Aggregate amount of quoted investments   | 934,897,082                       | 934,897,082                       |
| Aggregate market value of quoted investments   | 655,590,563                       | 1,152,319,180                     |
| <b>Note :G</b>   |                                   |                                   |
| <b>LONG TERM LOANS AND ADVANCES</b>  |                                   |                                   |
| <b>Long Term Loans and Advances (Unsecured, considered good)</b>                     |                                   |                                   |
| <b>Loans and Advances to related party:</b>  |                                   |                                   |
| Intercorporate Deposits  | 15,505,000                        | 15,505,000                        |
| <b>Total</b>   | <u><b>15,505,000</b></u>          | <u><b>15,505,000</b></u>          |
| <b>NOTE : H</b>  |                                   |                                   |
| <b>CASH AND CASH EQUIVALENTS</b>   |                                   |                                   |
| Balance with Bank In Current Accounts  | 118,321                           | 619,562                           |
| Cash on Hand   | -                                 | 1,000                             |
| <b>Total</b>   | <u><b>118,321</b></u>             | <u><b>620,562</b></u>             |

**OPEL SECURITIES PRIVATE LIMITED**
**ANNUAL REPORT 2011-2012**

| Particulars | As at<br>March 31, 2012<br>Rupees | As at<br>March 31, 2011<br>Rupees |
|-------------|-----------------------------------|-----------------------------------|
|-------------|-----------------------------------|-----------------------------------|

**NOTE : I**
**SHORT TERM LOANS AND ADVANCES**

Loans and Advances to Related Parties (Unsecured, Good)

|                         |                   |                |
|-------------------------|-------------------|----------------|
| Intercorporate Deposits | 14,350,000        | 250,000        |
| Others                  | 400,000           | -              |
| <b>Total</b>            | <b>14,750,000</b> | <b>250,000</b> |

| Particulars | For the Year<br>ended On<br>March 31, 2012<br>Rupees | For the Year<br>Ended On<br>March 31, 2011<br>Rupees |
|-------------|--|--|
|-------------|--|--|

**NOTE : J**
**REVENUE FROM OPERATIONS**

|              |                  |                  |
|--------------|------------------|------------------|
| Dividend     | 4,946,533        | 3,597,030        |
| <b>Total</b> | <b>4,946,533</b> | <b>3,597,030</b> |

**NOTE : K**
**OTHER EXPENSES**

|                  |               |                |
|------------------|---------------|----------------|
| General Expenses | 35,236        | 180,115        |
| Audit Fees       | 16,854        | 13,788         |
| <b>Total</b>     | <b>52,090</b> | <b>193,903</b> |

**NOTE:L**
**1 Significant Accounting Policies :**

- a) The accounts are prepared on the basis of historical cost.
- b) Income & Expenses are accounted for on accrual basis except dividend income which is recorded on cash basis.
- c) Investments have been reflected at cost. Provision is made where there is a permanent fall in the value of Investments.

**2 Notes to Accounts :**

- 1 Balances under the head of Unsecured Loans and Loans & Advances given are subject to confirmation.
- 2 Legal & Professional charges includes payment to auditors as under :-

|                           | 2011-2012     | 2010-11       |
|---------------------------|---------------|---------------|
| a) For Audit Fees         | 16,854        | 13,788        |
| b) For Taxation Matters   | -             | 8,880         |
| c) Out of Pocket Expenses | -             | 1,103         |
|                           | <b>16,854</b> | <b>23,771</b> |

**3 AS - 18 RELATED PARTY DISCLOSURES**

- a) Names of related party and nature of relationship.

| SN  | Name related party    | Relationship |
|-----|-----------------------|--------------|
| i)  | Prism Finance Ltd.    | Holding Co.  |
| ii) | BVM Finance Pvt. Ltd. | Associate    |

- b) The following transactions were carried out with related parties in the ordinary course of business:

| Related Party Transaction | Holding Co. | Associates  |
|---------------------------|-------------|-------------|
| Loan Taken                | 4,455,000   | 842,602,000 |

Note:

Related party relationship is as identified by the company and relied upon by the auditors.

## PRISM FINANCE LIMITED

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- 4 There are no Micro, Small and Medium enterprises, to whom the company owes, which are outstanding for more than 45 days as at 31st March, 2012. This information is required to be disclosed under the Micro, Small and Medium Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.
- 5 Deferred Tax effects have not been recognised in view of the fact that the company having only dividend income which is exempt from tax.
- 6 Accounts are prepared on going concern basis notwithstanding the fact that accumulated losses have significantly eroded the networth of the company as the management is in the process of to improve the financing and future process of company.
- 7 No provision has been made for income tax, as the company has dividend income only, which is exempt from tax.
- 8 No provision has been made for diminution in the value of quoted investments; as in the opinion of the management the same is temporary in nature.

### Signature to Note A to L

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As per our Report of even date attached  
For **Shah & Shah Associates**  
*Chartered Accountants*

**Nimish B. Shah**  
*Partner*  
*Mem. No. 30102*

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

For and on behalf of the Board

**Dhiren B. Parikh**      *Director*

**Rahul A. Patel**      *Director*

Place : Ahmedabad  
Date : 16<sup>th</sup> July, 2012

**OPEL SECURITIES PRIVATE LIMITED**
**ANNUAL REPORT 2011-2012**

| Particulars  | As at<br>March 31, 2012<br>Rupees | As at<br>March 31, 2011<br>Rupees |
|--|-----------------------------------|-----------------------------------|
| <b>Long Term Borrowings</b>                                    |                                   |                                   |
| <b>Unsecured Loans</b>   |                                   |                                   |
| <b>From Related Parties</b>                                    |                                   |                                   |
| BVM Finance Pvt. Ltd.  | 842,602,000                       | 842,602,000                       |
| Prism Finance Ltd.   | 4,455,000                         | 4,455,000                         |
| Prominent Plastic Ltd.   | 255,000                           | 255,000                           |
| Som Shiva Impex Ltd.   | 49,750,000                        | -                                 |
|  | <u>897,062,000</u>                | <u>847,312,000</u>                |
| <b>From Others</b>   |                                   |                                   |
| Khadayata Décor Ltd.   | 286,500,000                       | 286,500,000                       |
|  | <u>286,500,000</u>                | <u>286,500,000</u>                |
| <b>Total</b>   | <b><u>1,183,562,000</u></b>       | <b><u>1,133,812,000</u></b>       |
| <b>Other Non Current Liabilities</b>                           |                                   |                                   |
| <b>Other Liabilities</b>                                       |                                   |                                   |
| TDS on Legal Fees  | 1,213                             | 1,213                             |
| <b>Total</b>   | <b><u>1,213</u></b>               | <b><u>1,213</u></b>               |
| <b>Other Current Liabilities</b>                               |                                   |                                   |
| <b>Creditors For Expenses</b>                                  |                                   |                                   |
| TDS on Flot Charges  | 4,125                             | -                                 |
| CS Kashyap R mehta   | 500                               | -                                 |
| Unpaid Expenses  | 23,399                            | 24,708                            |
| <b>Total</b>   | <b><u>28,024</u></b>              | <b><u>24,708</u></b>              |
| <b>Long Term Loans &amp; Advances</b>                          |                                   |                                   |
| <b>Loans and Advances to Related Parties (Unsecured, Good)</b> |                                   |                                   |
| <b>Loans and Advances to Related Companies</b>                 |                                   |                                   |
| Bar magnate Inv. Pvt. Ltd.                                     | 2,050,000                         | 2,050,000                         |
| Mass Chemical Ind Ltd.   | 13,455,000                        | 13,455,000                        |
| <b>Total</b>   | <b><u>15,505,000</u></b>          | <b><u>15,505,000</u></b>          |
| <b>Short Term Loans &amp; Advances</b>                         |                                   |                                   |
| <b>Loans and Advances to Related Parties (Unsecured, Good)</b> |                                   |                                   |
| <b>Loans and Advances to Related Companies</b>                 |                                   |                                   |
| Som shiva Impex Ltd.   | -                                 | 250,000                           |
| Samurai Holdings Private Limited                               | 14,350,000                        | -                                 |
| <b>Loans and Advances to Director</b>                          |                                   |                                   |
| Pranay A. Patel  | 400,000                           | -                                 |
| <b>Total</b>   | <b><u>14,750,000</u></b>          | <b><u>250,000</u></b>             |
| <b>Payment to Auditors</b>                                     |                                   |                                   |
| As Auditor   |                                   |                                   |
| For Audit Fees   | 16,854                            | 13,788                            |
| <b>Total</b>   | <b><u>16,854</u></b>              | <b><u>13,788</u></b>              |
| <b>General Expenses</b>  |                                   |                                   |
| Legal and Professional Fees                                    | 31,590                            | 174,072                           |
| Bank Charges   | 196                               | 466                               |
| Municipal Tax  | 2,450                             | 3,077                             |
| ROC Expense  | 1,000                             | 2,500                             |
| <b>Total</b>   | <b><u>35,236</u></b>              | <b><u>180,115</u></b>             |

**PRISM FINANCE LIMITED**

**PRISM FINANCE LIMITED**

**Regd. Office** : 301, Iscon Mall, Above Star Bazar,  
Satellite Road, Ahmedabad - 380 015.

**18<sup>th</sup> Annual General Meeting**

Wednesday, the 26<sup>th</sup> September, 2012 at 11.00 a.m.

**ATTENDANCE SLIP**

Place : Registered Office of the Company at :  
301, Iscon Mall, Above Star Bazar,  
Satellite Road,  
Ahmedabad - 380 015.

Signature of Member/ Proxy attending the meeting \_\_\_\_\_

**Notes:**

1. This meeting is only for members. Please, therefore, do not bring person in the meeting who is not a member.
2. Please bring this attendance slip duly signed and hand it over to the representative of the Company at the entrance of the meeting place.

**PRISM FINANCE LIMITED**

**Regd. Office** : 301, Iscon Mall, Above Star Bazar,  
Satellite Road, Ahmedabad - 380 015.

**FORM OF PROXY**

I/We \_\_\_\_\_

of \_\_\_\_\_ in the district of \_\_\_\_\_

being member/s of the above named Company hereby appoint \_\_\_\_\_

of \_\_\_\_\_ in the district of \_\_\_\_\_

or failing him \_\_\_\_\_

of \_\_\_\_\_ in the district of \_\_\_\_\_

as my/our Proxy to attend and vote for me/us on my/our behalf at the 18<sup>th</sup> Annual General Meeting of the Company, to be held on Wednesday, the 26<sup>th</sup> September, 2012 and at any adjournment thereof.

Signed the \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Signature \_\_\_\_\_

Affix  
Revenue  
Stamp

**N.B.:** This Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.

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**PRISM FINANCE LIMITED**

**Regd. Office** : 301, Iscon Mall,  
Above Star Bazar,  
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