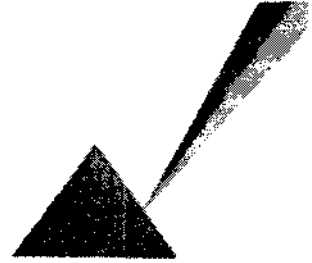


**PRISM FINANCE LIMITED**



**16<sup>TH</sup>  
ANNUAL REPORT 2009-2010**

<b>CONTENTS</b>	<b>PAGE NOS.</b>
Notice	2
Directors' Report	3-4
Report on Corporate Governance	5-9
Management Discussion and Analysis	10
Auditors' Report	11-13
Balance Sheet	14
Profit & Loss Account	15
Cash Flow Statement	16
Schedules	17-24
Notes on Accounts	25-27
Details of Subsidiaries Company	28-40

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**SIXTEENTH ANNUAL REPORT 2009-10**

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

**BANKERS** : **Bank of Baroda**  
Ambawadi  
Ahmedabad  
  
**HDFC Bank Limited**  
Ahmedabad  
  
**State Bank of India**  
Cuffe Parade Branch  
Mumbai

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

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

**NOTICE**

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

Date : 22<sup>nd</sup> September, 2010  
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 Profit and Loss Account for the year ended 31<sup>st</sup> March, 2010 and the Balance Sheet as on that date along with Directors' Report thereon.
2. To appoint a Director in place of Mr. Naresh P. Rawal, 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 : 29<sup>th</sup> May, 2010

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 Wednesday, the 8<sup>th</sup> September, 2010 to Wednesday, the 22<sup>nd</sup> September, 2010 (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 : 29<sup>th</sup> May, 2010

By the Order of the Board,

**Kashyap R. Mehta**  
*Director*

## DIRECTORS' REPORT

Dear Shareholders,

The Directors present the SIXTEENTH ANNUAL REPORT together with the Audited Statement of Accounts for the Financial Year 2009-10 ended 31<sup>st</sup> March, 2010.

**1. FINANCIAL RESULTS:**

Particulars	(Rs.in Lacs)	
	2009-10	2008-09
Profit/(Loss) before Depreciation	9.01	(37.95)
Less: Depreciation	6.82	6.84
Profit /(Loss) before Taxation	2.19	(44.79)
Less: Provision for FBT	-	0.66
Less: Provision for Taxation	-	-
Add / Less: Deferred Tax Liability / (Asset)	(5.27)	1.53
Profit / (Loss) after Tax	7.46	(46.98)
Balance brought forward from previous year	139.42	186.39
Balance carried to Balance Sheet	146.88	139.42

**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. 9.01 lacs during the year under review compared to Loss of Rs. 37.95 lacs during 2008-09. After providing for Depreciation and for Deferred Tax, the Net Profit during the year under review was Rs. 7.46 lacs compared to Net Loss of Rs. 46.98 lacs during 2008-09.

**4. DIRECTORS:**

One of your Directors viz. Mr. Naresh P. Rawal 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, 2010 being end of the Financial Year 2009-10 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.

## **PRISM FINANCE LIMITED**

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### **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 2010-11.

### **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, 2010, 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 : 29<sup>th</sup> May, 2010

**Kashyap R. Mehta**  
*Director*

**Anil R. Desai**  
*Director*

## 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 24 <sup>th</sup> September, 2009 (Y)/(N)
Naresh P. Raval	Independent Non-Executive	-	-	4	Y
Kashyap R. Mehta	Independent Non-executive	3	Gujarat Craft Ind. Ltd Typhoon Fin. Ser.Ltd Som Shiva (Impex) Ltd.	4	Y
Anal R. Desai	Independent Non-executive	-	-	4	Y

\* Private companies excluded.

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

Name of Director	Naresh P. Rawal
Date of Birth	13-11-1941
Date of Appointment	27-03-1997
Expertise in specific functional areas	Administration
List of Public Limited Companies in which Directorship held	-
Chairman/Member of the Committees of the Board of Directors of the Company	Audit Committee & Share holders' Grievances Committee
Chairman/Member of the Committees of Directors of other companies.	-

## 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 30-06-2009, 31-07-2009, 30-10-2009 and 29-01-2010.

**3. AUDIT COMMITTEE:**

The Audit Committee consists of the following Directors:

Name of the Director	Expertise	Functions of the Committee	Attendance
Mr. Kashyap R. Mehta	All members are non-executive. Chairman is independent Director and all are independent. 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: 30-06-2009, 31-07-2009, 30-10-2009 and 29-01-2010.
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 five complaints during the year. There was no valid request for transfer of shares pending as on 31<sup>st</sup> March 2010.

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
2006-07	29-09-2007	11.00 a.m.	1-2, 2 <sup>nd</sup> Floor, Fountain Place Complex, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009.
2007-08	13-09-2008	11.00 a.m.	301, Iscon Mall, Above Star Bazar, Satellite Road, Ahmedabad - 380 015.
2008-09	24-09-2009	11.00 a.m.	

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:**

- 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.
- 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:**

- 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.
- During the year ended on 31<sup>st</sup> March 2010, no presentation was made to Institutional Investors or analyst or any other enterprise.
- Management Discussion and Analysis form part of the Annual Report.

**8. SHAREHOLDERS' INFORMATION:**

- Registered Office : 301, Iscon Mall, Above Star Bazar, Satellite Road, Ahmedabad - 380 015.
- Annual General Meeting : Day : Wednesday  
Date : 22<sup>nd</sup> September, 2010  
Time : 11.00 a. m.  
Venue : 301, Iscon Mall, Above Star Bazar, Satellite Road, Ahmedabad – 380 015.



## PRISM FINANCE LIMITED

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l) Category of Shareholders as on 31<sup>st</sup> March, 2010:

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 : 29<sup>th</sup> May, 2010

**Kashyap R. Mehta**  
Director

**Anil R. Desai**  
Director

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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, 2010 as stipulated in clause 49 of the listing agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of 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 : 29<sup>th</sup> May, 2010  
Place : Ahmedabad

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

**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, lack 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. Segmentwise 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 2009-10 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 : 29<sup>th</sup> May, 2010

**Kashyap R. Mehta**      **Anil R. Desai**  
*Director*                      *Director*

**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, 2010 and the Profit & Loss Account 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 statement 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 Companies (Auditor's 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 :

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books.
- (iii) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
- (iv) 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.
- (v) According to the information and explanations 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, 2010, disqualified from being appointed as directors of the Company in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- (vi) 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.
  - (a) in the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2010.
  - (b) In the case of Profit & Loss Account, of the Profit for the year ended on that date and
  - (c) 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 : 29<sup>th</sup> May, 2010

**(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 information 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. **In respect of its inventories :**
  - (a) As explained to us, the inventory has been physically verified during the year by the management at reasonable interval. In our opinion, the frequency of verification is reasonable. In respect of materials lying with third parties, we relied upon the information/ data provided by the management.
  - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) The company is generally maintaining proper records of inventory. As explained to us, no discrepancies were noticed on such verifications between the physical stocks and the book records.
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 audit, we have not observed any continuing failure to correct major weaknesses 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, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to the prevailing market price at the relevant time.
6. The Company has not accepted any deposits from the 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, Custom Duty, Excise 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 explanations 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 31st March, 2010 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's accumulated losses are not more than 50% of its net worth as at 31-03-2009. Further, the company has incurred any cash losses during the financial year covered by our audit however there was no cash losses in the immediately preceding financial year.
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 any 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 held all the investment in shares and other investments in its own name.
15. The company has given guarantees for loans taken by others from banks. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the company.
16. To the best of our knowledge and belief and according to the information and explanations given to us, the term loans have been applied for the purposes for which the loans were obtained.
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 investments.
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*

**(Sunil K. Dave)**  
*Partner*

Place : Ahmedabad  
Dated : 29<sup>th</sup> May, 2010

Membership No. 047236

**PRISM FINANCE LIMITED**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2010**

PARTICULARS	SCHEDULE	(Amount in Rs.)	
		As at 31-3-2010	As at 31-3-2009
<b>SOURCES OF FUNDS :</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	<u>65,003,000</u>	<u>65,003,000</u>
<b>Reserve &amp; Surplus</b>			
Profit & Loss Account		<u>14,687,858</u>	<u>13,941,700</u>
<b>Loan Funds</b>			
Deferred Tax Liability (Net)	2	<u>-</u>	<u>527,397</u>
Total Rs.		<u><b>86,059,358</b></u>	<u><b>84,440,597</b></u>
<b>APPLICATION OF FUNDS :</b>			
<b>Fixed Assets</b>			
Gross Block	3	<u>9,174,162</u>	<u>9,174,162</u>
Less: Depreciation		<u>2,673,071</u>	<u>1,991,313</u>
Net Block		<u>6,501,091</u>	<u>7,182,849</u>
Investments	4	<u>49,459,757</u>	<u>48,933,469</u>
Current Assets, Loans & Advances	5	<u>30,436,577</u>	<u>29,352,375</u>
Less : Current Liabilities & Provision	6	<u>338,068</u>	<u>1,028,096</u>
Net Current Assets		<u>30,098,510</u>	<u>28,324,279</u>
Total Rs.		<u><b>86,059,358</b></u>	<u><b>84,440,597</b></u>
Notes forming part of accounts	10		

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

**Sunil. K. Dave**  
Partner

Place : Ahmedabad  
Date : 29<sup>th</sup> May, 2010

For and on behalf of the Board

**Anal Desai** Director

**Kashyap Mehta** Director

Place : Ahmedabad  
Date : 29<sup>th</sup> May, 2010

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2010**

PARTICULARS	SCHEDULE	(Amount in Rs.)	
		For the year ended on 31-03-2010	For the year ended on 31-03-2009
<b>A. INCOME</b>			
From Lease & Hire Purchase		8,869	92,381
Interest		110,538	65,447
Other Income	7	1,632,705	(3,038,311)
Total Rs.		<u>1,752,112</u>	<u>(2,880,483)</u>
<b>B. EXPENDITURE</b>			
Employment Cost	8	189,250	108,000
Operating & Administrative Expenses	9	662,343	806,478
Depreciation		681,758	683,612
		<u>1,533,351</u>	<u>1,598,090</u>
<b>Profit / (Loss) Before Tax</b>		<b>218,761</b>	<b>(4,478,573)</b>
(Add) / Less : Provision for Taxation			
(i) For Current Tax		-	-
(ii) For Deferred Tax		(527,397)	153,160
(iii) For Fringe Benefit Tax		-	66,000
Total		<u>(527,397)</u>	<u>219,160</u>
<b>Profit After Tax</b>		<b>746,158</b>	<b>(4,697,733)</b>
Add : Balance Brought Forward from Earlier Year		13,941,700	18,639,433
<b>Balance Carried to Balance Sheet</b>		<b><u>14,687,858</u></b>	<b><u>13,941,700</u></b>
Basic & Diluted earning per Shares		0.11	(0.72)
Notes forming part of accounts	10		

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

**Sunil K. Dave**  
*Partner*

Place : Ahmedabad  
Date : 29<sup>th</sup> May, 2010

For and on behalf of the Board

**Anal Desai** *Director*

**Kashyap Mehta** *Director*

Place : Ahmedabad  
Date : 29<sup>th</sup> May, 2010



**PRISM FINANCE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010**

(Amount in Rs.)

	2009-2010	2008-2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax & Extra-ordinary Items		218,761 (4,478,573)
<b>Adjustments for :-</b>		
- Provision for Non-Performing Assets	-	-
- Provision for Diminuation of Investment	-	-
- Depreciation	681,758	683,612
- Interest	-	-
- Preliminary Expenses written off	-	-
- Public Issue Exp. W/off	-	-
- (Profit)/Loss on Sale of Shares	(249,115)	4,117,233
- (Profit)/Loss on Sale of Assets	-	-
	<u>432,643</u>	<u>4,800,845</u>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<u>651,404</u>	<u>322,272</u>
<b>Adjustment for :-</b>		
- Stock on Hire	207,452	535,493
- Debtors	(2,323,041)	(1,049,331)
- Loans & Advances	998,399	(1,928,989)
- Current Liabilities & Provisions	(642,666)	(1,815,990)
	<u>(1,759,856)</u>	<u>(4,258,817)</u>
<b>CASH GENERATED FROM OPERATIONS</b>	<u>(1,108,452)</u>	<u>(3,936,545)</u>
- Interest Paid	-	-
- Direct Tax Paid	47,362	310,782
	<u>47,362</u>	<u>310,782</u>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<u>(1,155,814)</u>	<u>(4,247,327)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase/Sale of Fixed Assets (Net)	-	-
Advances for Capital Goods	-	-
Purchase/Sale of Investments (Net)	(526,288)	9,794,137
(Loss) / Profit on Sale of Shares	249,115	(4,117,233)
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES (B)</b>	<u>(277,173)</u>	<u>5,676,904</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Share Capital	-	-
Application Money Received	1,400,000	(2,500,000)
Unsecured Loans	-	-
Increase in Bank Borrowing	-	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<u>1,400,000</u>	<u>(2,500,000)</u>
<b>NET DECREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<u>(32,987)</u>	<u>(1,070,423)</u>
Cash & Cash equivalents as at 1st April, 2009	213,264	1,283,687
Cash & Cash equivalents as at 31st March, 2010	<u>180,275</u>	<u>213,264</u>

For and on behalf of the Board

Place : Ahmedabad  
Date : 29<sup>th</sup> May, 2010

**Anil Desai** Chairman  
**Kashyap Mehta** Director

## SCHEDULES FORMING PART OF THE ACCOUNTS

Particulars	(Amount in Rs.)	
	As at 31-03-2010	As at 31-03-2009
<b>SCHEDULE - 1 : SHARE CAPITAL</b>		
AUTHORISED		
70,00,000 Equity Shares of Rs 10/- each	<u>70,000,000</u>	<u>70,000,000</u>
ISSUED, SUBSCRIBED & PAID UP :		
65,00,300 Equity Shares of Rs. 10/- each	<u>65,003,000</u>	<u>65,003,000</u>
Total Rs.	<u>65,003,000</u>	<u>65,003,000</u>

**SCHEDULE - 2 : LOAN FUNDS**

<b>UNSECURED LOANS :</b>		
From a Company	<u>5,968,500</u>	4,968,500
From Members	<u>400,000</u>	-
Total Rs.	<u>6,368,500</u>	<u>4,968,500</u>

**SCHEDULE - 3 : FIXED ASSETS**

(Rupees)

Particulars	GROSS BLOCK (At Cost)			DEPRECIATION				NET BLOCK		
	As on 1/4/2009	Addition during the year	Sales/ Adjustment	As on 31/3/2010	Upto 31/3/2009	For the year	Sales/ Adjust- ment	Upto 31-3-2010	As on 31-3-2010	As on 31-3-2009
Building	1112264	-	-	1112264	164191	18130	-	182321	929943	948073
Furniture & Fixture	247037	-	-	247037	183281	15637	-	198918	48119	63756
Data Processing Equipment	886269	-	-	886269	860911	-	-	860911	25358	25358
Office Equipments	176237	-	-	176237	111815	8371	-	120186	56051	64422
Vehicle	27355	-	-	27355	25242	745	-	25987	1368	2113
Motor Car	6725000	-	-	6725000	645873	638875	-	1284748	5440252	6079127
Total	9174162	-	-	9174162	1991313	681758	-	2673071	6501091	7182849
Previous Year	9174162	-	-	9174162	1307701	683612	-	1991313	7182849	

# PRISM FINANCE LIMITED

Particulars	As at 31-03-2010		As at 31-03-2009	
	No. of Shares	Rupees	No. of Shares	Rupees
<b>SCHEDULE - 4 : INVESTMENT</b>				
<b>(I) UNQUOTED</b>				
<b>In Fully paid Equity Shares</b>				
Textile Traders Co.op. Bank Ltd.	2500	62510	2500	62510
Shree Sainath Park Asso.	1	100	1	100
Total (I)		<u>62610</u>		<u>62610</u>
<b>(II) (A) Quoted : (Trade)</b>				
<b>(i) In Fully paid Equity Shares</b>				
Alexcon Extrusions Ltd.	200	3578	200	3578
Alps Infosys Ltd.	4500	180000	4500	180000
Ansal Buildwell	4500	622280	4500	622280
Anusha International Ltd.	2700	27000	2700	27000
Aditya Birla Nova	194	173277	-	-
Bharat Heavy Ele. Ltd.	347	-	347	-
Bharti Airtel	2636	1076600	-	-
Bharat Petroleum	-	-	81	45018
Bisleri Gujarat	-	-	22000	31019
Blue Information Ltd.	3000	303945	3000	303945
Century Textiles	-	-	-	-
Cairn India Ltd.	-	-	791	124619
Cese Ltd.	455	149888	-	-
Chemox Securities Ltd.	100	6519	100	6519
Cals Refinery	300000	187173	-	-
Datapro Infotech Ltd.	1000	15412	1000	15412
Deep Industries	10900	1691923	10900	1691923
Divis Lab Ltd.	1188	452451	405	281731
Electra India Ltd.	200	5740	200	5740
Everest Kanto	-	-	2703	412358
Escort	528	58310	-	-
Essar Oil	1316	188049	-	-
Godrej Industries	787	117666	-	-
Global Tele-system Ltd.	450	282192	450	282192
GMR Infrastructure	-	-	2500	435563
GMDC	863	87364	-	-
DLF	888	329470	-	-
Gujarat Containers Ltd.	1000	19000	1000	19000
Gujarat Narmada Fertilizer	276	41157	772	116124
Gujarat NRE	24500	341700	24500	341700
HDFC Bank Shares	336	599902	324	456900
Housing Development Finance	281	406870	-	-
ICICI Bank Ltd.	32	25120	1547	996337
IDFC	-	-	2117	106853
IOC	500	145347	-	-
ITC Ltd.	1844	385202	782	128878
Infosys Tech	229	276086	251	303245
Integrated Rubian Exports Ltd.	6000	11700	6000	11700
Larsen & Tubro	252	220045	320	203262
Jayantii Business Machines Ltd.	2018	70630	2018	70630
JBF Industries	2298	170609	7882	985259
Jindal Online	58350	104999	58350	104999
JMD Alloys Ltd.	9500	95000	9500	95000
Kaashyap Technologies	116666	514070	116666	514070
Kay Pulp & Paper Ltd.	12500	82131	12500	82131
Kedia Infotech	211209	278032	211209	278032

**ANNUAL REPORT 2009-2010**

Particulars	As at 31-03-2010		As at 31-03-2009	
	No. of Shares	Rupees	No. of Shares	Rupees
Kirlosker Ferrous	48000	695872	48000	695870
Krishna Plasto Chem Ltd.	35600	1148527	35600	1148528
Malvika Steels Ltd.	3500	25920	3500	25920
Mercator Lines	3212	184625	-	-
Maruti Udyog	253	348907	-	-
Mcdowell Holding	240	-	240	-
Meghmani Organic	79000	791838	79000	791838
Modi Alkalies & Chemicals Ltd.	150	3750	150	3750
Mundra Port	1000	331199	1800	596161
Navin Bharat Venture	1420	256431	3059	555059
Network 18 Finance	1831	435206	1081	358263
NTPC	1486	338712	-	-
Octagon Technologies Ltd.	1000	39064	1000	39064
Opto Circuit	3506	-	4099	-
ONGC	158	175838	-	-
Paramount Commu	10000	351102	10000	351111
Pantaloon Retail	508	153450	-	-
PTC India	1684	174237	-	-
Pentamedia Graphics	79999	897188	79999	266620
Pentasoft Techno	-	-	199999	630567
Polylink Polymer Ltd.	100	523	100	523
Radhe Developers	434440	3165819	33614	2337010
Ranbaxi Labs	54	26218	54	26218
Rallies India Ltd.	-	-	328	136559
RECL Ltd.	2846	591621	-	-
Reliance Capital	-	-	255	79543
Reliance Ind	914	375745	472	387065
Satelite Engineering Ltd.	24300	209296	24300	209296
Serene Industries Ltd.	10000	69535	10000	69535
Sesa Goa	-	-	97	7094
Shilp Gravus	7294	486645	7294	486645
Shanti Gears	7000	532966	7000	532966
Silver Animation	1000	-	1000	-
Silverline Technologies	2500	405000	2500	405000
Singh Alloys Ltd.	5000	73200	5000	73200
Softrak Technologies Ltd.	20000	15200	20000	15200
Original Agroster Ltd.	4250	590646	4250	590646
Srei Infrastructure	10000	589113	10000	589113
Standard Surfactant Ltd.	1900	89078	1900	89078
Sumeru Industries	5552	17131	5552	17131
Sterlite Industries	797	459035	844	488364
State Bank of India	264	461073	37	33697
Sun Pharma	444	511693	314	352706
Sun TV	-	-	2337	373965
Suzlon Energy	3340	212531	6484	774523
Tala Power	-	-	39	23786
TCS	510	317617	-	-
Torrent Power	1992	639313	-	-
Teesta Agro Industries Ltd.	2000	24500	2000	24500
Teledata Marine	2500	83745	2500	83745
Teledata Technology	2500	83745	2500	83745
Triveni Engineering	1687	195475	-	-
TV 18 India Ltd.	-	-	-	-
Uniliv Foods Ltd.	21500	283710	21500	283710
United Spirits	108	94732	-	-

**PRISM FINANCE LIMITED**

Particulars	As at 31-03-2010		As at 31-03-2009	
	No. of Shares	Rupees	No. of Shares	Rupees
<b>(B) Unquoted :</b>				
In Fully paid Equity Shares of Rs. 10/- each				
(i) In Subsidiary Company				
Opel Securities Ltd.	1150050	11500500	1150050	11500500
(ii) Others				
BVM Finance Limited	1000000	10000000	1000000	10000000
Khadayata Decor Ltd.	20000	200000	20000	200000
Total (B)		21700500		21700500
Total (II)		49397147		48870880
Total (I) & (II)		49459757		48933469

Notes :

	As at 31-3-10 Rs. in lacs	As at 31-3-09 Rs. in lacs
(a) Aggregate Cost of Quoted Investments	276.97	271.70
(b) Aggregate Market Value of Quoted Investments		150.57
(c) Aggregate Cost of Unquoted Investments	217.01	217.01

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

Name of the Company	2009-2010		2008-2009	
	Face Value	Quantity	Face Value	Quantity
<b>Purchase of Shares</b>				
Aditya Birla Nova	10	194	-	-
Bharati Airtel	5	2636	10	396
Cairn India	10	11	10	791
CESC Ltd.	10	455	10	90
Container Corp	-	-	10	116
Cals Refineries	5	300000	-	-
Divi's Lab	2	733	2	116
Escor	10	759	-	-
Essar Oil	10	1316	-	-
DLF	10	888	-	-
Everest Kanto	-	-	2	2703
Financial Technologies	-	-	2	60
Gammon India	-	-	2	217
GAIL	10	91	-	-
Godrej Industries	10	737	-	-
Gujarat Mineral	10	1598	-	-
Gujarat NER Cocke	-	-	2	7000
HDFC Bank	10	336	10	324
Hindalco	1	934	-	-
Indiabulls Real Estates	10	1129	-	-
IDFC	10	825	10	2117
ICICI Bank	10	660	10	1033
Larsen & Tubro	2	63	2	320
Infosys Technologies Ltd.	-	-	5	349
ITC Ltd.	1	2627	1	782
JBF Industries	-	-	10	2963
Kashyap Technologies	-	-	10	16666
Kalpatru Power Transformers	-	-	10	156
Kirlosker Ferrous	-	-	5	48000
IOC	10	500	-	-
Maruti Udyog	5	253	-	-

**ANNUAL REPORT 2009-2010**

Particulars	As at 31-03-2010		As at 31-03-2009	
	No. of Shares	Rupees	No. of Shares	Rupees
Mercator Lines	1	3212	-	-
Max India Ltd.	-	-	2	89
Meghmani Organic	-	-	10	79000
Mundra Port	-	-	10	3100
Network 18 Fincap	10	750	5	236
Network 18 Media Preference	-	-	10	117
Network 18 Media Preference Warran	-	-	10	117
Network 18 PCCPS 5%	-	-	10	169
Network 18 PCCPS	-	-	2	293
NIIT	10	1486	-	-
NTPC	10	158	-	-
ONGC	10	1064	-	-
Orchid	-	-	10	2329
Opto Circuit	2	508	-	-
Pantaloon Retails	10	1684	-	-
PTC India	-	-	5	100
Ranbaxi Labs	10	2846	-	-
RECL Ltd.	5	539	-	-
Reliance Industries (Bonus)	10	103	10	466
Reliance Capital	-	-	2	20000
Satyam Computer	-	-	1	97
Sesa Goa	-	-	1	7500
Shanti Gears	-	-	10	25
Sharyans Resources	10	315	10	37
State Bank of India	-	-	10	5509
Shilp Gravus	-	-	2	930
Sterlite Industries	5	130	5	314
Sun Pharma	-	-	5	2337
Sun TV	2	1098	2	6484
Suzlon Energy	-	-	10	844
Tata Motors	1	510	-	-
Tata Consultancy Services	10	1992	-	-
Torrent Power	-	-	10	164
TV 18 India Ltd.	1	1687	-	-
Triveni enggi	10	170	-	-
United Spirit	-	-	10	39
Tata Power	-	-	-	-
<b>Sale of Shares</b>				
Bisleri Guj Ltd.	1	22000	-	-
Bharti Airtel	5	81	10	315
Bharat Petroleum	-	-	10	611
Bharat Electronic	-	-	2	460
Bharat Heavy Elect.	-	-	2	346
Bisleri Gujarat	-	-	10	3000
Cese Ltd.	-	-	10	586
Century Textile	-	-	10	1510
Contain Corp	-	-	10	232
Divi's Lab	-	-	10	386
Divi's Lab	2	2703	-	-
EKC	10	802	-	-
Caim India	10	-	10	1700
Deep Industries	10	231	-	-
Escort	-	-	2	220
Financial Techno	-	-	-	-
GMR Infra	1	2500	-	-

**ANNUAL REPORT 2009-2010**

Particulars	As at 31-03-2010		As at 31-03-2009	
	No. of Shares	Rupees	No. of Shares	Rupees
Videsh Sanchar Nigam	-	-	10	755
Vishal Retails	-	-	10	1254
Voltamp	10	947	-	-
<b>Purchase of Mutual Fund</b>				
Principal Cash Magnum Fund	10	160571	10	374261
Kotak Weekly Dividend	10	212971	10	542701
Birlacash Plus Retail Growth	-	-	10	340
<b>Sale of Mutual Fund</b>				
Principal Cash Magnum Fund	10	223974	10	369051
Kotak Weekly Dividend	10	300461	10	414686
Birlacash Plus Retail Growth	-	-	10	7517

Particulars	(Amount in Rs.)	
	As at 31-03-2010	As at 31-03-2009
<b>SCHEDULE - 5 : CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
(a) CURRENT ASSETS :	-	207,452
i. Stock on Hire	-	-
ii. Debtors (Unsecured, Considered good)	-	749,700
Outstanding for a period exceeding six months	3,735,956	1,108,239
Others	3,735,956	1,857,939
	-	445,024
Less . Provision for NPA	3,735,956	1,412,915
iii. Cash & Bank Balance	37,167	46,667
Cash on hand	-	-
Balance with Banks :	143,108	166,596
- In Current Accounts	180,275	213,263
(b) LOANS & ADVANCES (Unsecured, considered good)		
i. Loan Given (including Inter Corporate Deposits & Interest receivable thereon)	26,162,090	26,441,485
ii. Advances recoverable in cash or kind or for value to be received	358,257	1,077,260
	26,520,346	27,518,745
	30,436,577	29,352,375

**SCHEDULE - 6 : CURRENT LIABILITIES**

CURRENT LIABILITIES :	195,393	838,059
Sundry Creditors	69,000	69,000
Security Deposit	73,675	121,037
Provision for Taxation (Net)	338,068	1,028,096
Total Rs.		

**SCHEDULE - 10 : 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 Standards 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 accrue income/expenses as per the terms of the agreements 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 diminution in value thereof.
  - f) The Company follows the prudential norms for income recognition and provides for/writes 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.
  - h) **Provision for Taxation :**
    - (i) Provision for current tax has been in accordance with the ordinary provisions of the Income Tax Act.
    - (ii) 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	Year
	2009-2010	2008-2009
Audit Fees	37550	30771
Other Services	-	-
<b>Total</b>	<u>37550</u>	<u>30771</u>

- 4. Balances under the head of unsecured loans, current assets, loans and advances, current liabilities, few bank balances and provisions and certain investments are subject to reconciliation and confirmation.
- 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 :-



# PRISM FINANCE LIMITED

The break up Net deferred tax liability as at 31.03.2010 arising on account of timing difference in respect of.

Particulars	As at 31-03-2010	As at 31-03-2009
<b>Deferred Tax Liability</b>		
Depreciation	975,376	527,397
<b>Deferred Tax Assets</b>		
Unabsorbed Business Loss & depreciation to the extent of Deferred tax liabilities	975,376	-
<b>Deferred Tax Liability (Net)</b>	<b>NIL</b>	<b>527,397</b>

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, 2009 are given below

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

A. Relationship

1. Subsidiaries

Opel Securities Ltd.

2. Associates of the Company

a) Akshar Construction

b) Akshar Estate Pvt. Ltd.

c) Som Shive (Impex) Ltd.

d) Spectratek Industries

e) Bar Megnet Investment Pvt. Ltd.

f) Prominent Plastics Limited

3. Key Management Personals/Relatives/Individuals

a) Shri Naresh P. Raval - Director

b) Smt. Anal Desai - Director

c) Shri Kashyap Mehta - Director

d) Shri Arunprasad P. Patel

e) Shri Pranay A. Patel

f) Shri Rahul A. Patel

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	-	11485800 (4144510)	5604866 (2250000)
2. Loan Recovered	-	3622856 (1550056)	6800000 (1450000)
3. Loan Obtained	-	1500000 (NIL)	- -
4. Loan Repaid	-	500000 (700000)	- (1800000)
5. Interest Income on H.P.	-	8869 (55768)	- -
6. Bill discounting Income	-	110538 (84,795)	- -
7. Professional Charges	-	-	61,477 (59556)
<b>Amount outstanding as at 31-3-2010</b>			
1. Outstanding Loans/Advances	4455000 (4455000)	22098994 (3627924)	4866 (800000)
2. Outstanding of Loan obtained	-	5968500 (4968500)	400000 -
3. Investment	11500500 (11500500)	-	-
4. Creditors for Exps.	-	-	4872.00 (4963.00)

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. **ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.**

**Balance Sheet Abstract and Company's General Business Profile****1. Registration Details**

CIN	L63910GJ1994PLC021915	State Code	04
Balance Sheet Date	31st March, 2010		

**2. Capital Raised During the years (Rs. in Lacs)**

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

**3. Position of Mobilisation & Development of Funds (Rs. in Lacs)**

Total Liabilities	860.59	Total Assets	860.59
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**Source of Funds**

Paid-up Capital	650.03	Reserve & Surplus	146.88
Secured Loans	NIL	Unsecured Loans	63.68
Share Application Money	NIL		

**Application of Funds**

Net Fixed Assets	65.01	Investments	494.60
Net Current Assets	295.71	Misc. Expenditure	Nil
Accumulated Losses / Profit & Loss Account	Nil		

**4. Performance of Company (Rs. in Lacs)**

Turnover	17.52	Total Expenditure	15.33
Profit /(Loss) Before Tax	2.18	Profit After Tax	7.46
Earning per Share (Rs.)	-	Dividend Rate (%)	N.A.

**5. Generic Name of Principal Product of Company / Services of Company**

Item Code No.	: 809
Products Description	: Finance, Share Trading and Investments

Signature to Schedules 1 to 10

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

**Sunil K. Dave**  
Partner

Place : Ahmedabad  
Date : 29<sup>th</sup> May, 2010

For and on behalf of the Board

**Anil Desai** Director

**Kashyap Mehta** Director

Place : Ahmedabad  
Date : 29<sup>th</sup> May, 2010

# OPEL SECURITIES PRIVATE LIMITED

## ANNUAL REPORT 2009-2010

<b>BOARD OF DIRECTORS</b>	:	<b>Mr. Amit D. Patel</b> <b>Mr. Rahul A. Patel</b>
<b>REGISTERED OFFICE</b>	:	"Mangalam" B/h. Apang Manav Mandal, Dr. V. S. Road, Ahmedabad - 380 015.
<b>ADMINISTRATIVE OFFICE</b>	:	S/2, Navrang Building, Swastik Char Rasta, Navrangpura, Ahmedabad - 380 009.
<b>AUDITORS</b>	:	<b>M/s. Shah &amp; Shah Associates,</b> Chartered Accountants, Ahmedabad.
<b>BANKERS</b>	:	<b>Vijya Bank</b>

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**NOTICE**

NOTICE is hereby given that the **FIFTEENTH ANNUAL GENERAL MEETING** of the members of the Company will be held on Thursday, the 30th September, 2010 at 10.30 A.M. at the Registered Office of the Company at "Mangalam", B/h. Apang Manav Mandal, Dr. V. S. Road, Ahmedabad - 380 015, to transact the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date and reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Rahul A. Patel, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold the office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**Registered Office:**  
"Mangalam"  
B/h. Apang Manav Mandal,  
Dr. V. S. Road,  
Ahmedabad-380 015.  
Date : 20<sup>th</sup> May, 2010.

By Order of the Board,

*Chairman*

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a Proxy should however be deposited at the Registered Office of the Company not less than fortyeight hours before the commencement of the meeting.

# OPEL SECURITIES PRIVATE LIMITED

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## DIRECTORS' REPORT

To,  
The Members,

Your Directors hereby present the FIFTEENTH ANNUAL REPORT together with the Audited Statement of Accounts for the financial year 2009-2010 ended on 31st March, 2010.

### FINANCIAL RESULTS

During the year the Company has earned gross income from dividend to the tune of Rs. 32.97 Lacs and after charging all the expenses there comes a Profit of Rs. 32.68 Lacs. The Directors have recommended to transfer the same to the Balance-Sheet.

### DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2010, 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 the end of the financial year and of the Profit or Loss of the Company for the year under review;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts for the financial year ended 31st March, 2010 on a 'going concern' basis.

### AUDITORS :

The retiring Auditors M/s. Shah & Shah Associates, being eligible for re-appointment, you are requested to appoint them as Auditors of the Company and fix their remuneration for the year 2010-2011.

### PARTICULARS OF EMPLOYEES :

There is no employee coming under the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975 as amended from time to time.

On behalf of the Board of Directors,

Place: Ahmedabad  
Date : 20<sup>th</sup> May, 2010

*Chairman*

**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, 2010 and the related Profit & Loss Account 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 statement based on our audit.

We have conducted our audit in accordance with auditing standards 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 purpose 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 and Profit & Loss Account 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 the written representations received from the Directors as on 31<sup>st</sup> March, 2010 and taken on record by the Board of Directors, we report that none of the Directors of the company is disqualified as on 31<sup>st</sup> March, 2010 from being appointed as directors of the Company 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 and Profit & Loss Account read with and subject to notes thereon of Schedule 8, 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, 2010; and
  - (b) In the case of Profit & Loss Account, of the Profit for the year ended on that date.

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

Place : Ahmedabad  
Dated : 20<sup>th</sup> May, 2010

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

# OPEL SECURITIES PRIVATE LIMITED

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

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

- (i) 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.
- (ii) 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.
- (iii) The Company has granted interest free unsecured loans to four Companies listed in the register maintained under section 301 of the Companies Act, 1956 and the maximum amount involved was Rs. 16,005,000/- and the year end balance of such loans was Rs. 16,005,000/-. 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 obtained interest free unsecured loans from four companies listed in the register maintained under Section 301 of the Companies Act, 1956, out of which, loan from companies was repaid of 6,000,000 during the year. The maximum amount involved is Rs. 86,81,12,000/- and the year end balance of such loan was Rs. 86,21,12,000/-. According to the information and explanation provided to us, other terms and conditions 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.

- (iv) 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. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal controls.
- (v) 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.
- (vi) As explained to us, the Company has not accepted any deposits from the public.
- (vii) 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.
- (viii) The nature of the Company's business/activities during the period under audit is such that clause 4(iii) regarding maintenance of cost records is not applicable to the company.
- (ix) 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 31<sup>st</sup> March, 2010 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.
- (x) Accumulated Losses of the company as at March 31, 2009 exceeds the net worth of the company as at that date. The company has incurred cash losses in the financial year ended on that date but it had not incurred any Losses in the immediately preceding financial year.
- (xi) The Company has not borrowed from financial institution or bank or issued debentures till the end of the year.
- (xii) In our opinion and according to information and explanations 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.
- (xiii) The provisions of special statute applicable to chit fund, Nidhi/Mutual Benefit fund/societies are not applicable to the Company.
- (xiv) 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.

- (xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company has not taken any term loan during the year under review.
- (xvii) 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.
- (xviii) 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.
- (xix) During the year under review the Company has not issued any debentures.
- (xx) The Company has not raised money by any public issued during the year under audit and hence the question of disclosure and verification of end use of such money does not arise.
- (xxi) 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 : 20<sup>th</sup> May, 2010

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



**OPEL SECURITIES PRIVATE LIMITED****BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2010**

PARTICULARS	SCHEDULE	(Amount in Rs.)	
		As at 31-3-2010	As at 31-3-2009
<b>SOURCES OF FUNDS :</b>			
Share Capital	1	17,502,000	17,502,000
Share Application (Pending Allotment)		15,475,000	675,000
Reserve & Surplus	2	7,500,000	7,500,000
Unsecured Loans	3	847,312,000	868,112,000
Total		<u>887,789,000</u>	<u>893,789,000</u>
 <b>APPLICATION OF FUNDS :</b>			
Investments	4	645,272,321	645,272,321
Current Assets, Loans & Advances	5	16,083,408	18,813,392
Less : Current Liabilities & Provisions	6	<u>12,133</u>	<u>10,059</u>
Net Current Assets		16,071,275	18,803,333
Profit and Loss Account	7	226,445,404	229,713,347
Total		<u>887,789,000</u>	<u>893,789,000</u>
Notes on Accounts	8		

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

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

Place : Ahmedabad  
Date : 20<sup>th</sup> May, 2010

For and on behalf of the Board

**Amit D. Patel** Director  
**Rahul A. Patel** Director

Place : Ahmedabad  
Date : 20<sup>th</sup> May, 2010

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2010**

PARTICULARS	(Amount in Rs.)	
	Year ended on 31-03-2010	Year ended on 31-03-2009
<b>INCOME</b>		
Dividend Income	3,297,278	2,997,525
Total	<u>3,297,278</u>	<u>2,997,525</u>
<b>EXPENDITURE</b>		
Legal & Professional Charges	25,322	23,535
General Charges	4,012	5,110
Advance for Warrants written off	-	238,990,320
Total	<u>29,334</u>	<u>239,018,965</u>
Profit / (Loss) before Tax	3,267,943	(236,021,440)
Provision for Taxation	-	-
Profit / (Loss) After Tax	3,267,943	(236,021,440)
Balance Brought Forward from Previous Year	(229,713,347)	6,308,093
Balance transferred to Balance Sheet	<u>(226,445,404)</u>	<u>(229,713,347)</u>

Notes on accounts - Schedule - 8

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

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

Place : Ahmedabad  
Date : 20<sup>th</sup> May, 2010

For and on behalf of the Board

**Amit D. Patel**      *Director*  
**Rahul A. Patel**      *Director*

Place : Ahmedabad  
Date : 20<sup>th</sup> May, 2010

# OPEL SECURITIES PRIVATE LIMITED

## SCHEDULES FORMING PART OF THE ACCOUNTS

Particulars	(Amount in Rs.)	
	As at 31-03-2010	As at 31-03-2009
<b>SCHEDULE - 1 : SHARE CAPITAL</b>		
AUTHORISED		
20,00,000 Equity Shares of Rs 10/- each	<u>20,000,000</u>	<u>20,000,000</u>
Total	<u>20,000,000</u>	<u>20,000,000</u>
ISSUED, SUBSCRIBED & PAID UP :		
17,50,200 Equity Shares of Rs. 10/- each fully paid up (Out of above 11,50,000 Shares are held by holding Company Prism Finance Ltd.)	<u>17,502,000</u>	<u>17,502,000</u>
Total	<u>17,502,000</u>	<u>17,502,000</u>
<b>SCHEDULE - 2 : RESERVES &amp; SURPLUS</b>		
Securities Premium	<u>7,500,000</u>	<u>7,500,000</u>
Total	<u>7,500,000</u>	<u>13,808,093</u>
<b>SCHEDULE - 3 : UNSECURED LOANS</b>		
Intercompany Deposits	<u>847,312,000</u>	<u>868,112,000</u>
Total	<u>847,312,000</u>	<u>868,112,000</u>
<b>SCHEDULE - 4 : LONG TERM INVESTMENTS</b>		
(1) QUOTED INVESTMENTS (AT COST)		
2997525 Equity Shares of Sintex Industries Ltd. of Rs. 2/- each fully paid up	<u>645,272,321</u>	<u>645,272,321</u>
Total	<u>645,272,321</u>	<u>645,272,321</u>
Aggregate Value of Quoted Investments		
At Cost Price	<u>645,272,321</u>	<u>645,272,321</u>
At market price	<u>885,768,638</u>	<u>294,356,955</u>
<b>SCHEDULE - 5 : CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
(a) CURRENT ASSETS :		
Cash and Bank Balances		
Cash on hand	<u>1,000</u>	<u>1,000</u>
Balance with a Schedule Bank in Current Account	<u>77,408</u>	<u>3,057,392</u>
Total (a)	<u>78,408</u>	<u>3,058,392</u>
(b) LOANS & ADVANCES (Unsecured, considered good)		
Intercompany Deposit	<u>16,005,000</u>	<u>15,755,000</u>
Total (b)	<u>16,005,000</u>	<u>15,755,000</u>
Total (a+b)	<u>16,083,408</u>	<u>18,813,392</u>

(Amount in Rs.)

Particulars	As at	As at
	31-03-2010	31-03-2009
<b>SCHEDULE - 6 : CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES :</b>		
Unpaid Expenses	10,920	9,023
TDS Payable	1,213	1,036
Total	<u>12,133</u>	<u>10,059</u>
<b>SCHEDULE - 7 : PROFIT AND LOSS ACCOUNT</b>		
Balance as per annexed Account	226,445,404	229,713,347
Total	<u>226,445,404</u>	<u>229,713,347</u>

**SCHEDULE FORMING PART OF ACCOUNTS****SCHEDULE - 8 : NOTES OF ACCOUNTS****(1) Significant Accounting Policies:**

- The accounts are prepared on the basis of historical cost.
  - Income & Expenses are accounted for on accrual basis except dividend income which is recorded on cash basis.
  - Investments have been reflected at cost. Provision is made where there is a permanent fall in the value of investments.
- Balances under the head of Unsecured Loans and Loans & Advances given are subject to confirmation.
  - Legal & Professional Charges includes payment to auditors as under:

	<u>2009-2010</u>	<u>2008-2009</u>
a) For Audit Fees	14,339	8,272
b) For Taxation Matters	8,880	10,711
c) Out of Pocket Expenses	1103	552
	<u>24,322</u>	<u>19,535</u>

## 4. AS-18 Related Party Disclosures

## A. Name of related party and nature of relationship :

Sr.	Name related party	Relationship
1.	Prism Finance Ltd.	Holding Co.
2.	BVM Finance P. Ltd.	Associates

## OPEL SECURITIES PRIVATE LIMITED

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### B. Transaction with related parties :-

Sr. No.	Name of the related party	Relationship	Amount (Rs.)	Outstanding (Rs.)
1.	Prism Finance Ltd.	Holding Co.	Deposit Taken	4,455,000
2.	BVM Finance P. Ltd.	Associates	Deposit Taken	848,602,000

- 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, 2010. This information as required to be disclosed under the Micro, Small and Medium enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.
- Deferred Tax effects have not been recognised in view of the company fact that the company having only dividend income which is exempt from tax.
- No provision has been made for income-tax, as the company has dividend income only, which is exempt from tax.
- There are no other particular required to be shown as per requirements of part II of Schedule VI of the Companies Act, 1956.

## ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

## Balance Sheet Abstract and Company's General Business Profile

## 1. Registration Details

CIN	U65910GJ1995PTC028055	State Code No.	04
Balance Sheet Date	31st March, 2010		

## 2. Capital Raised During the years (Rs. in Thousand)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

## 3. Position of Mobilisation &amp; Development of Funds (Rs. in Thousand)

Total Liabilities	887,789	Total Assets	887,789
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## Source of Funds

Paid-up Capital	17502	Share Application Money	15,475
Reserve and Surplus	7,500	Unsecured Loans	847,312
Secured Loans	NIL		

## Application of Funds

Net Fixed Assets	NIL	Investments	645,272
Net Current Assets	16,071	Misc. Expenditure	NIL
Accumulated Losses	226,445		

## 4. Performance of Company (Rs. in Thousand)

Turnover	3,296	Total Expenditure	29
Profit/(Loss) Before Tax	3,268	Profit/(Loss) After Tax	3,268
Earning per Share in Rs.	1.9	Dividend Rate (%)	NIL

## 5. Generic Name of Principal Product of Company

Item Code No. : N.A.

Products Description : N.A.

Signature to Schedules 1 to 8

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

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

Place : Ahmedabad  
Date : 20<sup>th</sup> May, 2010

For and on behalf of the Board

**Amit D. Patel** Director

**Rahul A. Patel** Director

Place : Ahmedabad  
Date : 20<sup>th</sup> May, 2010

**OPEL SECURITIES PRIVATE LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010**

(Amount in Rs.)

	2009-2010	2008-2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Taxes & Extra-ordinary Items	3,267,943	(236,021,440)
Advances for warrants written off	-	238,990,320
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>3,267,943</b>	<b>2,968,880</b>
<b>Add :-</b>		
Increase/(Decrease) in Unsecured Loans	(6,000,000)	(10,000,000)
Increase/(Decrease) in Loans and Advances	(250,000)	-
Increase/(Decrease) in Current Liabilities	2,074	1,557
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(2,979,983)</b>	<b>(7,029,563)</b>
Direct Tax Paid (Net of Refund received)		-
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(2,979,983)</b>	<b>(7,029,563)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES (B)</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>-</b>	<b>-</b>
<b>NET DECREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(2,979,983)</b>	<b>(7,029,563)</b>
Cash & Cash equivalents as at 1st April, 2009	3,058,391	10,087,954
Cash & Cash equivalents as at 31st March, 2010	78,408	3,058,392

**PRISM FINANCE LIMITED**

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

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

Wednesday, the 22<sup>nd</sup> September, 2010 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 16<sup>th</sup> Annual General Meeting of the Company, to be held on Wednesday, the 22<sup>nd</sup> September, 2010 and at any adjournment thereof.

Signed the \_\_\_\_\_ day of \_\_\_\_\_ 2010.

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.



**BOOK-POST  
PRINTED MATTER**

To,

*If undelivered, please return to :*

**PRISM FINANCE LIMITED**

**Regd. Office** : 301, Iscon Mall,

Above Star Bazar,

Satellite Road, Ahmedabad - 380 015.