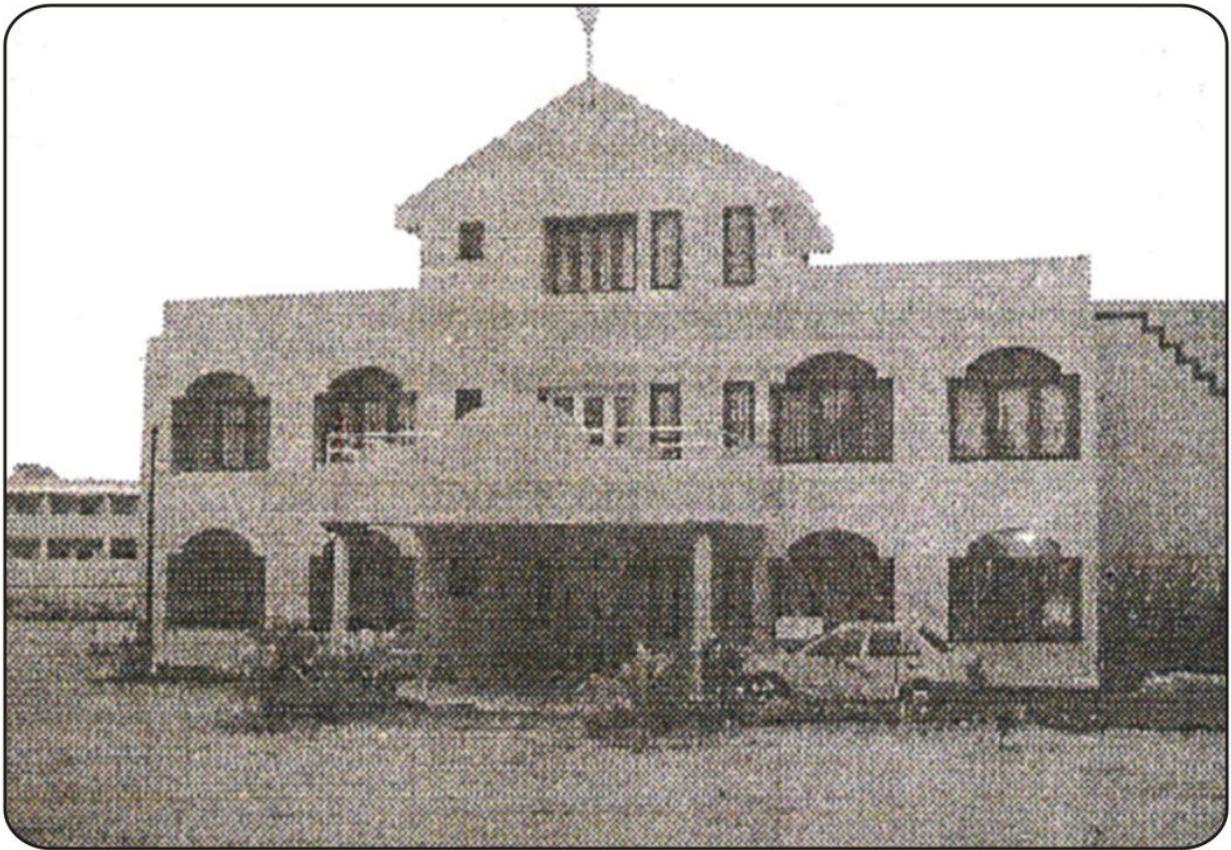


# Annual Report

## 2011-2012



**PRASHANT  
INDIA LTD.**

# **BOOK-POST**

**To,**

**If Undeliverd Please return to :**

**PRASHANT INDIA LTD.**

**Registered Office : Block No. 456, Palsana Char Rasta, N. H. 8,  
Palsana - 394 315. Dist. SURAT (Gujarat)**

# **PRASHANT INDIA LTD.**

## **BOARD OF DIRECTORS**

**Shri P. M. GONDALIA**  
(Chairman & Managing Director)  
**Shri H. M. GONDALIA**  
(Whole Time Director)  
**Shri H. B. MALAVIA**  
(Professional Director)

## **BANKERS**

**STATE BANK OF INDIA**  
**INDIAN OVERSEAS BANK**  
**BANK OF BARODA**  
**STATE BANK OF HYDERABAD**

## **AUDITORS**

**DEVENDRA GHEEWALA & CO.**  
**CHARTERED ACCOUNTANTS**  
**SURAT**

## **REGISTERED OFFICE**

**BLOCK No.456, PALASANA CHAR RASTA,**  
**N.H.NO.8, PALASANA, 394 315**  
**DIST. SURAT. GUJARAT**

## **WIND POWER DIVISION**

**VILLAGE DHANK**  
**DIST RAJKOT**  
**GUJARAT**

## **AGRO DIVISION**

**RUVAPARI ROAD,**  
**BHAVNAGAR-346 001**  
**GUJARAT**

**NOTICE OF ANNUAL GENERAL MEETING**

TWENTY NINTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF PRASHANT INDIA LIMITED WILL BE HELD ON SATURDAY , 29TH SEPTEMBER 2012 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT BLOCK NO.456, NATIONAL HIGHWAY NO.8, PALSANA CHAR RASTA, TALUKA PALSANA, DISTRICT SURAT 394315 TO TRANSACT THE FOLLOWING BUSINESS:-

**ORDINARY BUSINESS:-**

1. To consider and adopt the Balance Sheet as at 31.03.2012 and the Profit and Loss Account for the year ended as on date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. H. M.Gondalia who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS :-**

4. To consider and if thought fit to pass with or without modification following resolution as special resolution

RESOLVED THAT in terms of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the provisions of Articles of Association of the Company and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Guidelines 2009 (SEBI ICDR Regulations) and subject to the consent if required of Securities & Exchange Board of India (SEBI) and Stock Exchanges where the equity shares of the company are listed and all other concerned authorities and Departments, and such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed by granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "The Board" which term shall be deemed to include any Committee of Board) as its sole discretion, the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot 6,50,000 (Six Lacs Fifty Thousand) Equity Shares of Rs. 10/- fully paid up by way of preferential allotment to M/s IFCI Limited in terms of its letter dated MuRO/PIL/2009-17343 dated June 15, 2009 in agreeing to modification of terms of One Time Settlement with said IFCI Limited.

RESOLVED FURTHER THAT the 'Relevant Date' for the preferential issue, as per SEBI ICDR Regulations for the determination of applicable price for the Equity Shares arising on the conversion of aforesaid Convertible Warrants shall be 30 days prior to date of meeting at which the resolution is passed.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors of the Company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things, and execute such deeds, documents, instruments and the writing as they may in their absolute discretion deem necessary or desirable and to accept any alterations and modification(s) as they may deem fit and proper and give such directions as may be necessary in regard to the offer, issue and allotment of the said Convertible

Warrants by private placement including the power to allot the unsubscribed portion of Convertible Warrants if any, in such manner as may appear to the Board of Directors to be most beneficial to the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of Directors or Chairman and Managing Director or Director of the Company to give effect to the aforesaid resolution.”

Place : Palsana

By Order of the Board of Directors

Date :-20<sup>TH</sup> July.2012,

Sd/  
Prabhudas M.Gondalia  
Managing Director

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/HERSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE, SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
- (2) The Register of members and Share Transfer books will remain closed from 16.09.2012 to 29.09.2012 (both days inclusive)
- (3) Members desiring any information as regards accounts, are requested to write to the Company at least 10 days before the meeting to enable the management to keep the information ready.
- (4) Members/Proxies attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting place.
- (5) Explanatory statement pursuant to section 173 of The Companies Act 1956 is attached

DETAILS OF DIRECTORS SEEKING REAPPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING  
(In pursuance of Clause 49 of the Listing Agreement)

1) Name of Directors	H.M.Gondalia
2) Age	50 years
3) Qualification	Sy B.Com.
4) Date of Appointment	01-10-1988
5) Experience	25
6) Other Directorship as on 31.3.2012	Nil
7)Chairman/member of the Committee as on 31.03.2012	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT 1956

ITEM NO 4 OF NOTICE

The company is a Sick company and order for winding up has been made by Board of Industrial and Financial reconstruction (BIFR). The company is however making best efforts to revive the company and is making settlement with the secured creditors. In course of discussion with IFCI one of the secured creditor it has been decided and agreed by company to issue and allot 6,50,000 equity Shares of company at par credited as fully paid up.

Section 81(1A) of the Companies Act, 1956 provides, inter alia, that whenever it is proposed to increase the subscribed capital of a Company by a further issue and allotment of shares, such shares shall be offered to the existing shareholders of the Company in the manner laid down in the said Section, unless the shareholders decide otherwise in a general meeting.

Accordingly, the consent of the shareholders is being sought pursuant to provisions of Section 81(1A) and all other applicable provisions of the Companies Act, 1956, SEBI Guidelines and in terms of the provisions of the Stock Exchange Listing Agreements for authorizing the Board to create, issue, offer and allot Convertible Warrants as stated in the Resolution, which would result in a further issuance of Equity shares of the Company on a preferential allotment basis on conversion of warrants in such form, manner and upon such terms and conditions as the Board may in its absolute discretion deem fit.

The Board proposes to allot the Equity Shares within a period of 15 days from the date of passing of this resolution by the shareholders or within 15 days from the date of approval of any regulatory authority whichever is later.

The Equity Shares to be allotted shall be locked-in as per the provision of SEBI ICDR Regulations applicable to preferential issue.

The above proposed preferential allotment is subject to the provisions of Section 81(1A) and all other applicable provisions of the Companies Act, 1956, SEBI Guidelines and in terms of the provisions of the Stock Exchange Listing Agreements.

**The disclosures to be made in accordance with clause 73 chapter VII of the SEBI ICDR Regulations 2009 is as under**

- a. The object of the issue is to make part payment towards one time settlement with IFCI limited.
- b. The existing promoters shall are not proposed allottees and there is no question of any change in promoters holding.
- c. the shareholding pattern of the issuer before and after the preferential issue ; There shall not be any change in share holding pattern after issue except that 6,50,000 shares are being allotted in category of Financial Institutions under public category and to that extent the promoters share holding shall be diluted.
- d. The allotment shares shall be completed within time limit specified under SEBI ICDR Regulations 2009.
- e. the identity of the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue is as under

NAME OF THE PROPOSED ALLOTTEE	Pre Issue Holding	%	Post Issue holding	%
	No. of Shares		No. of Shares	
<b>OTHERS</b>				
IFCI Limited IFCI Tower, 61 Nehru Place New Delhi 110019	Nil	N.A.	6,50,000	13.3048

There shall not be any change in any control over the issuer company consequent upon preferential issue

- f. The issuer undertakes that it shall re compute the price of the specified securities in terms of provisions of SEBI ICDR Regulations where it is required to do so.

- g. The issuer undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.

Copy of the certificate of company secretary certifying that the issue is being made in accordance with the requirements of SEBI ICDR Regulations shall be available for inspection of members along with other relevant documents and shall be placed before members before general meeting of members.

'Relevant Date' for the preferential issue, as per SEBI ICDR Regulations for the determination of applicable price for the Equity Shares arising on the conversion of aforesaid Convertible Warrants shall be 30 days prior to date of passing of this resolution.

The Directors of the Company may be deemed to be concerned or interested in the resolution to the extent of convertible warrants that may be subscribed and allotted to them, their relatives or to the Companies of which they are interested.

Copy of IFCI letter and other relevant documents are available for inspection at registered office of the company.

The Board recommends resolution for approval of members.

Place : Palsana

By Order of the Board of Directors

Date :-20<sup>TH</sup> July.2012,

Sd/  
Prabhudas M.Gondalia  
Managing Director

## DIRECTORS' REPORT

To,  
The Members

Your directors have pleasure in presenting their Twenty Ninth Annual report and the audited statement of accounts for the year ended on 31<sup>st</sup> March, 2012 together with the auditors report thereon.

## FINANCIAL RESULTS

The summarized financial results for yearend 31<sup>st</sup> March 2012 are as under

Particulars	Rupees in lacs	
	2011-2012	
Sales and other income	300.60	
Total expenditure	383.78	
Profit (+)/loss (-) after interest but before depreciation & taxation	(83.18)	
Exceptional item	175.75	
Taxation	0.00	
Net profit (+)/loss (-)	(258.93)	

## DIVIDEND

In view of losses the directors do not recommend any dividend for the year ended 31st March 2012..

## COMPANY PERFORMANCE

The company continues to operate in Textiles and Wind farm business. The Sales and other revenue for the year was Rs.300.604 lacs which is higher than sales of Rs.203.64 lacs in previous year. The company has incurred net loss of Rs.258.93 lacs.

The company had been held sick industrial company within the meaning of the provisions of sec.3(1(0) of the Sick Industrial Companies ( Special Provisions ) Act, 1985 by the BIFR on dt.20-09-2005 and has been held to be wound up u/s 20(1) of the said Act by the BIFR on dt.14-09-2006. The said order has been upheld by AAIFR. The secured debts of company except for State Bank of India has been assigned to M/s Shantilon Private Limited and Ficon Shriram Capital Markets Limited. The details are given in balancesheet.

## MANAGEMENT DISCUSSION AND ANALYSIS.

- (a) **Industry Structure and Developments** :- Company is a Textile Company
- (b) **Opportunities and Threats** :- The textile industry provides ample opportunities in domestic and as well as export market However the uncertainty of raw material prices and government policies are detrimental to growth and profitability .
- (c) **Segmentwise or productwise Proformance** :- Company operates in two segments (1) Textile and (Wind Farm) This is mentioned as an annexure to the Balance Sheet.
- (d) **Outlook** :- The Company plans to rehabilitate the company the revival scheme as submitted to the BIFR / AAIFR .
- (e) **Risks & Concerns** :- Company do not foresee any such risk in near future, which will hamper the activities.
- (f) **Internal control systems and their adequacy** :- Company is in the process of implementing various software for better control.
- (g) **Discussion on financial performance with respect to operational performance** :- Company is a sick company and all efforts are being made to make settlements with secured creditors .

- (h) **Human Resources Management Initiatives:-** The management is keenly interested this field. All the efforts are made to rationalize its manpower and make effective use of the same.

#### BOARD OF DIRECTORS:

There was no change in constitution of Board of Directors. Shri H.M.Gondalia retire by rotation at ensuing Annual General Meeting and he is eligible for reappointment.

#### AUDITORS :

M/s. Devendra Gheewala & Co., Chartered Accountants, retire at this Annual General Meeting and being eligible offer themselves for reappointment. Your Company has received a letter from them to the effect that their reappointment, if made, will be in accordance with the provisions of Section 224(1B) of the Companies Act, 1956. The Board of directors recommend their reappointment.

#### FIXED DEPOSITS :

Your Company has not accepted any deposits from public.

#### CORPORATE GOVERNANCE :

Certificate of the company secretary regarding compliance of the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement with stock exchange, is enclosed..

#### STATUTORY INFORMATION :

- (i) Information under section 217 (1) (e) of the Companies Act, 1956 read with the companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988:-

#### A. CONSERVATION OF ENERGY

- a) Energy conservation measures taken: None at present
- b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy: There are no proposals.
- c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: Does not arise.
- d) Total energy consumption and energy consumption per unit of production as per Form "A" to annexure in respect of industries specified in the schedule thereto: Not Applicable.

#### B. TECHNOLOGY ABSORPTION

##### Form B

##### Research & Development (R & D)

1. Specific area in which R & D carried by the company: None at Present
2. Benefits derived as a result of the above R & D: Does not arise.
3. Future plan of action: At present it is not under consideration
4. Expenditure on R & D: Nil

##### Technology absorption, adaptation and innovation:

1. Efforts being made towards technology absorption, adaptation and innovation: None
2. Benefits derived as a result of the above efforts e.g. Product improvement cost, reduction, product development, import substitution etc. : None
3. Imported technology : Not applicable as technology has not been imported.

#### C. FOREIGN EXCHANGE EARNING AND OUTGO:

Earnings or Expenditure in foreign exchange – Foreign travelling Rs. 52929/- (Euro 796.60)  
(Previous year Rs. Nil)

**INFORMATION UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 AS AMENDED UP TO DATE :**

The company do not have any employee drawing salary in excess of limits prescribed under section 217 (2a) of the companies act, 1956 read with the companies (particulars of employees) rules 1975 the particulars should be treated as nil

**DIRECTORS' RESPONSIBILITY STATEMENT.**

Your Directors confirm that:

- (i) in the preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that 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 financial year and of the loss of the company for the year.
- (iii) the Directors has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, and
- (iv) the Directors had prepared the accounts on going concern basis.

**INDUSTRIAL RELATIONS:**

The industrial relations continued to be cordial during the year under review.

**ACKNOWLEDGMENT:**

The Directors express their sincere thanks to the employees, customers, suppliers, company's bankers and members of the company for their continued support.

For & On Behalf of the Board of Directors

Place : Palsana  
Date : 20-07-2012

Sd/-  
Chairman

**FORM A ( See rule 2)**  
**Form for disclosure of particulars with respect to conservation of energy -**

A.		Power and fuel consumption	
1	Electricity	Current year	Previous year
	(a) Purchased		
	Unit	1103819	1380760
	Total amount	6575522	7554652
	Rate / unit	5.96	5.47
	(b) Own generation		
	(i) Through diesel generator		
	Units	54835	129450
	Units per lt. of diesel oil	668988	1579259
	Cost/unit	12.20	12.20
	(ii) Through steam turbine/generator		
	Units	Nil	Nil
	Units per lt. of fuel oi/gas	Nil	Nil
	Cost/unit	Nil	Nil
2	Coal (specify quality and where used )		
	Quantity (Tonnes)	1430.670	1388.560
	Total cost	3512305	3155059
	Average rate	2455.00	2272.18
3	Furnace oil		
	Quantity (K.ltrs.)	Nil	Nil
	Total cost	Nil	Nil
	Average rate	Nil	Nil
4	Others/Internal generation (please give details)		
	Quantity	914296	612887
	Total cost	4873994	3463371
	Rate / unit	5.33	5.65
B	Consumption per unit of production		
	Products (with details) unit – Company	2365654	1578954
	Products (with details) unit -Others	472889	508060
	Electricity	Not quantifiable Separately	Not quantifiable separately
	Furnace oil		
	Coal (specify quality)		
	Others (specify)		

### REPORT ON CORPORATE GOVERNANCE

The Company's policies and practices continued to aim at efficient conduct of business and in effective meeting its obligations to the shareholders as the company believe in good corporate governance.

#### BOARD OF DIRECTORS:

The present strength of Board of Directors of your Company is Three. Two directors are executive directors and one is independent director. None of the directors are members in more than ten committees and they do not act as chairman of more than five committees

Independent Director" who apart from receiving director's remuneration, do not have any other material pecuniary relationship or transactions with the Company, its promoters, its management, which in judgment of the Board may affect independence of judgment of director.

Brief resume of the directors who retire by rotation and seek reappointment is given in the notes to the notice, the members are requested to refer the same.

Attendance of Directors at the meeting of Board of Directors held during the financial year 2011-2012 and the last Annual General Meeting held on 30.09.2011 are as follows:

Details of Meetings of Board of Directors held during the year 2011-2012:

Sr.No.	Date	No. of Directors present
1	30.04.2011	3
2	19.07.2011	3
3	20.07.2011	3
4	30.09.2011	3
5	31.10.2011	3
6	31.01.2012	3
7	10.02.2012	3
8	15.02.2012	3

Name of Director	No. of Board Meeting Attended	Attendance in A.G.M.
Mr.P.M.Gondalia	8	Present
Mr.H.M.Gondalia	8	Present
Mr.H.B.Malavia	8	Present

#### AUDIT COMMITTEE:

Terms of reference of the Audit Committee are as per Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreements with the Stock Exchanges that inter alia, include overseeing financial reporting process, reviewing periodic financial results, financial statements and adequacy of internal audit function, discussions with auditor about the scope of audit including the observation of the auditors and discussion with internal auditors on any significant findings.

Mr.Malavia Independent Director is the chairman of Audit Committee and Mr. H.M.Gondalia is the member. Four meetings of audit committee were held on 30.04.2011, 19.07.2011, 31.10.2011 and 31.01.2012.

#### SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

The Shareholder / investors grievance committee has been constituted under chairmanship Mr.P.M.Gondalia. Shri H.B. Malavia is the member of the committee. The committee oversees the redressed of complaints of the shareholders and investors in relation to transfer of shares, non-receipt of annual reported.

#### REMUNERATION COMMITTEE:

During the year there was no necessarily of reviewing remuneration payable to directors. Company do not paid any commission or sitting fees to directors. The Remuneration paid to directors during the year is as under.

Details of Remuneration paid to the Executive Directors for the F.Y. 2011-12

Name of Director	Designation	Salary (Rs.)	Perks (Rs.)	Commission (Rs.)	Total (Rs.)
Mr.Prabhudas M. Gondalia	Chairman & M.D.	185614	Nil	--	185614
Mr.Harsukhbhai M. Gondalia	Whole Time Director	113654	Nil	--	113654
Mr. Haribhai B. Malavia	Director.	Nil	-	--	Nil

No. sitting fee was paid to any Director. No commission was paid to any Director.

#### ANNUAL GENERAL MEETING :

##### Details of last three Annual General Meetings held:

Particulars	2008-2009	2009-2010	2010-2011
Day	Wednesday	Thursday	Friday
Date	30.09.2009	30.09.2010	30.09.2011
Time	11.00A.M.	11.00A.M.	11.00A.M.
Venue	456,N.H.8,Palsana Char Rasta ,Palsana, Surat-394315	456,N.H.8,Palsana Char Rasta ,Palsana, Surat-394315	456,N.H.8,Palsana Char Rasta ,Palsana, Surat-394315

#### DISCLOSURES:

There were no instances of non-compliance on any other matter related to the capital market, during the last three years.

#### MEANS OF COMMUNICATION:

Quarterly results are submitted to stock exchanges. The annual report along with account is sent to stock exchanges and shareholder.Company has not given any press release during the year.

#### COMPLIANCE CERTIFICATE

The certificate regarding compliance of conditions of clause 49 of the Listing Agreement from the Company Secretary of the company is annexed hereto.

#### GENERAL SHAREHOLDER INFORMATION:

- 1) Annual General Meeting : 29th Annual General Meeting  
 Day, Date, Time & Venue : Saturday, 29<sup>th</sup> September , 2012 at 11 a.m..  
 Block No.456, N.H.8, Palsana Char Rasta, Palsana Surat-394315

## 2) Financial Year/Calender :

- Results for first Quarter ending 30.06.2012 : On or before 31.07.2012
- Results for second Quarter ending 30.09.2013: On or before 31.10.2012
- Results for third Quarter ending 31.12.2013 : On or before 31.01.2013
- Results for third Quarter ending 30.03.2013 : On or before 30.04.2013
- Results for year ending 31.03.2013 : On or before 30.09.2013

3) Date of Book Closures : 16.09.2012 to 29.09.2012 (both days inclusive)

4) Dividend Payment Date : No dividend declared

5) Regd. Office : Block No.456, N.H.8, Palsana Char Rasta, Palsana Surat-394315.

6) Address of Investors  
Correspondence : Block No.456, N.H.8, Palsana Char Rasta, Palsana Surat-394315

7) Regd. Office Ph. Nos. : (02622) 325227

8) Plant Location : Block No.456, N.H.8, Palsana Char Rasta, Palsana Surat-394315

9) Listing on Stock Ex. : Listing Fee for Mumbai Stock Exchanges for  
F.Y.2011-12 paid to Bombay Stock Exchange

## 10) Distribution of Shareholding as on 31.03.2012

8610 shareholders hold 4235443 equity shares of nominal value of Rs.10/- each.

Distribution of Shares (Slab wise)	No. of Share Holders	% to total no. of Shareholders	No. of Share Held	Percentage total Share Capital
1 to 100	3197	37.15	289382	6.83
101 to 200	2235	25.97	412085	9.73
201 to 500	2333	27.11	782662	18.48
501 to 1000	544	6.32	401181	9.47
1001 to 5000	235	2.73	475674	11.23
5001 and above	62	0.72	1874459	44.26
<b>Total</b>	<b>8610</b>	<b>100.00</b>	<b>4235443</b>	<b>100.00</b>

Category	No. of Shares Held	% of Shareholding
Promoters	1396268	32.97%
Persons acting in concert	0	0
Mutual Funds & UTI	0	0
Banks, Financial Institutions	8800	0.21%
Private Corporate Bodies	472799	11.16%
Indian Public	2357576	55.66%
<b>Grand Total</b>	<b>4235443</b>	<b>100%</b>

**Management Responsibility Statement**

The Management confirms that the financial statements are in full conformity with requirements of the Companies Act, 1956 and the Generally Accepted Accounting Principles (GAAP) in India. The Management accepts responsibility for the integrity and objectivity of these financial statements as well as for estimates and judgments relating to matters not concluded by the period end. The Management believes that the financial statements of operation reflect fairly the form and substance of transactions and reasonably present the Company's financial condition and the results of operations. The Company has a system of internal control, which is reviewed,

evaluated and updated on an ongoing basis. In view of huge losses and recessionary trend, appointment of internal auditor has not been made.

By Order of the Board of Directors  
For Prashant India Limited

Place : Palsana,

Date :-20<sup>th</sup> July.2012

Sd/  
Prabhudas M.Gondalia  
Managing Director



**DEVENDRA GHEEWALA & CO.**  
**CHARTERED ACCOUNTANTS**

**CA. Devendra M.Gheewala,**  
F.C.A., DISA (ICA)

407, Union Trade Center, B/s. Apple Hospital, Udhna Darwaja, Surat - 395002

To

The Members of

**PRASHANT INDIA LTD.**

We have audited the attached Balance Sheet of PRASHANT INDIA LTD. as at 31<sup>st</sup> March, 2012 and also the Profit & Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As required by the Companies (Auditor's Report) Order, 2003, ('CARO') as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in terms of provisions of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of the books and records as we considered necessary and appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to our comments in the Annexure referred to above, 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 *except cost records*, as required by law, have been kept by the company, so far as appears from our examination of those books.
- c. The Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by the report are in agreement with the books of accounts.
- d. In our opinion, the Balance Sheet, the Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in section 211(3d) of the Companies Act, 1956 *except AS15 as referred to in Audit Note no.1(a)*

e. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors of the company and also the information and explanations given to us, we report that none of the directors is, as at 31<sup>st</sup> March, 2012 prima facie disqualified from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

f. In our opinion and to the best of our information and according to the explanations given to us, subject to the

*Note no. 1(a) : Regarding non accounting for gratuity, leave encashment & bonus liability contrary to sec.209 of the Companies Act, 1956 and ASI5 issued by the ICAI.*

*Note no.1(b) : Regarding accounts of the company having been prepared on 'Going Concern Basis', despite*

- *operations of Agro division of the company having stood suspended,*
- *cash losses incurred by the company for last several years,*
- *net worth of the company having been totally eroded and substantial losses having been carried forward as at 31<sup>st</sup> March, 2012,*
- *BIFR having held the company as sick under the provisions of sec.3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 and ordered for winding up of the company, also upheld by the AAIFR*

*in the absence of adequate data and information for its compilation on an alternative basis and consequently no adjustments having been made in the accounts relating to the recoverability of recorded asset amounts and in respect of recorded liabilities and contingent liabilities that might devolve on the company.*

*Note no.3 : Regarding non provision of liabilities of Rs.5940.27 lacs*

*Note no.9 : Regarding certain balances being subject to confirmation the effect of which could not be quantified,*

the said accounts read together with other audit notes thereon, give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- (I) in so far as it relates to the Balance Sheet, of the state of affairs of the Company at the 31<sup>st</sup> March, 2012,
- (II) in so far as it relates to the Profit and Loss Account, of the loss of the Company for the year ended on that date and
- (III) in so far as it relates to the Cash Flow Statement, of the cash flows of the Company for the year ended on that date

For **DEVENDRA GHEEWALA & CO.**  
**CHARTERED ACCOUNTANTS**

Place : Surat.  
Date : 20-07-2012

Sd/  
**D.M.GHEEWALA**  
**PROPRIETOR**  
M.No. : 049857  
FRN. : 115563W

**ANNEXURE TO THE AUDITOR'S REPORT REFERRED TO IN PARAGRAPH '2' OF OUR AUDIT REPORT OF EVEN DATE ON ACCOUNTS OF PRASHANT INDIA LTD. FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2012.**

In terms of the information and explanations given to us and the books and records examined by us in the normal course of our audit and to the best of our knowledge and belief, we state that in our opinion:

1

- (a) The company has been maintaining proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals and that no material discrepancies were noticed by the management on such verification.
- (c) No substantial part of fixed assets has been disposed off during the year, which has affected the going concern assumption (Also refer Note 1(b) of our Audit Report).

2.

- (a) Physical verification of inventory (except stocks lying with third parties, confirmation for which has been obtained and in stocks in transit) has been conducted at reasonable intervals during the year by the management.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The Company has been maintaining proper records of inventory and discrepancies noticed on physical verification as compared to book records were not material and have been properly dealt with in the books of accounts.

3.

- (a) The Company has not granted any loans, secured or unsecured, to Companies, Firms or other parties listed in the register maintained u/s. 301 of the Companies Act, 1956 (1 of 1956). The Company has taken secured loans from Companies, Firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956 (1 of 1956) and number of such party is one wherein the balance repayable as at the end of the year is Rs.2,95,00,000/- on account of debt assignments. ( Maximum balance during the year Rs.2,95,00,000/- )
- (b) Since there are no transactions of loans given by the company, clauses (b) to (d) of paragraph 3 of the order are not applicable.
- (c) In our opinion, the rate of interest and other terms and conditions of secured loans taken by the company are prima facie not prejudicial to the company.
- (d) *In respect of loans taken by the company, payment of principal amount and interest is not regular, as stipulated.*

4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

5. Based on Audit procedures applied by us and according to the information and explanations given to us, we report that
  - (a) the particulars of contracts or arrangements referred to u/s 301 of the Companies Act, 1956 (1 of 1956) have been recorded in the register maintained for the purpose.
  - (b) these transactions prima facie appear to have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. During the year, the company has not accepted deposits from the public.
7. *Due to recessionary trend and huge losses, the company does not afford to have an internal audit system.*
8. The company has made and maintained cost records in accordance with the provisions sec. 209(1)(d) of the Companies Act, 1956.

9.

- (a) The provisions of the Provident Fund Act, Investor Education & Protection Fund and Employees' State Insurance Act as applicable are duly complied with. There were no undisputed amount payable in respect of Income tax, Wealth tax, Sales tax, Service tax, Customs duty, Excise duty, Cess or any other statutory due which were outstanding as at **31-03-2012** for a period of more than six months from the date they became payable except as mentioned below:

<b>Nature of statute-Authority</b>	<b>Nature of dues</b>	<b>Amount Rs. lacs</b>	<b>Remarks</b>
Customs Act, 1962 & Central Excise Act, 1944	Custom duty	77.03	Nil
Land Revenue Act	Land rev.	20.01	Nil

- (b) The disputed dues of Income tax, Wealth tax, Sales tax, Service tax, Customs duty, Excise duty or Cess as on 31/03/2012 are as follows :

<b>Nature of statute-Authority</b>	<b>Nature of dues</b>	<b>Amount Rs. lacs</b>	<b>Forum where dispute is pending</b>
G.S.T. Act, 1969	Sales tax	544.68	AC, Bhavnagar
G.S.T. Act, 1969	Sales tax	10.24	GVAT Tribunal, A'bad

10. The Company has accumulated losses of Rs.4319.79 lacs as at the end of the financial year, which is in excess of 50% of its net worth. The company has not incurred cash losses in the current financial year but has incurred cash losses in the immediately preceding financial year.
11. According to the information and explanations given to us and based on our audit checks, we report that the company in the current financial year has not made repayment to any banks or financial institutions. The company has defaulted in repayment of dues to various banks and financial institutions. The company had been declared sick u/s 3(1)(0) of the Sick Industrial Companies (Special Provisions) Act, 1985 by the BIFR vide order dt.20-09-2005 and has been held to be wound up u/s 20(1) of the said Act by the BIFR vide order dt.14-09-2006. The entire outstanding of all financial institutions/banks is overdue since long. Please refer to Audit note no.2 & 3 also.

12. Since the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, paragraph 4(xii) of the Order is not applicable.
13. Since the company is not a chit fund or a nidhi/mutual benefit fund/society, paragraph 4(xiii) of the Order is not applicable.
14. Since the company is not dealing in or trading in shares, securities, debentures and other investments, paragraph 4(xiv) of the Order is not applicable.
15. According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
16. On the overall examination of the Balance Sheet of the Company, we report that term loans have been applied for the purpose for which they were obtained.
17. 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. Since the company has not made any preferential allotments of shares to any parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956, paragraph 4(xviii) of the Order is not applicable.
19. Since the company has not issued any debentures, paragraph 4(xix) of the Order is not applicable.
20. Since the company has not raised money by way of public issue during the year, paragraph 4(xx) of the Order is not applicable.
21. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **DEVENDRA GHEEWALA & CO.**  
**CHARTERED ACCOUNTANTS**

Place : Surat.  
Date : 20-07-2012

Sd/  
**D.M.GHEEWALA**  
**PROPRIETOR**  
**M.No. : 049857**  
**FRN. : 115563W**

## BALANCE SHEET AS AT 31ST MARCH, 2012.

Sr. No.	Particulars	Sch. No.	31-03-2012		31-03-2011	
			Rs.	Rs.	Rs.	Rs.
<b>I. EQUITIES AND LIABILITIES -</b>						
1.	Shareholders' Funds :					
a.	Share capital	'1'	42,354,430		42,354,430	
b.	Reserves & surplus	'2'	<u>(357,262,347)</u>	(314,907,917)	<u>(349,298,579)</u>	(306,944,149)
2.	Non Current Liabilities :					
a.	Long term borrowings	'3'	290,063,254		321,007,437	
b.	Deferred tax liabilities		0		0	
c.	Other long term liabilities		<u>0</u>	290,063,254	<u>0</u>	321,007,437
3.	Current Liabilities :					
a.	Short term borrowings	'4'	61,245,591		61,245,591	
b.	Trade payables	'5'	1,849,824		1,463,130	
c.	Other current liabilities	'6'	3,112,334		2,032,147	
d.	Short term provisions	'7'	<u>15,036,654</u>	81,244,404	<u>14,118,159</u>	78,859,027
<b>T O T A L.... (I)</b>				<u><b>56,399,740</b></u>		<u><b>92,922,314</b></u>
<b>II. ASSETS -</b>						
1.	Non current assets					
a.	Fixed assets	'8'	37,653,602		47,431,680	
b.	Non current investments		0		0	
c.	Deferred tax assets(net)		0		0	
d.	Long term loan & advances	'9'	1,282,160		1,302,870	
e.	Other non current assets	'10'	<u>1,466,939</u>	40,402,701	<u>34,398,535</u>	83,133,084
2.	Current assets,					
a.	Current investments		0		0	
b.	Inventories	'11'	452,323		895,531	
c.	Trade receivables	'12'	5,482,339		5,616,641	
d.	Cash & bank balance	'13'	203,835		234,086	
e.	Short term loans & advances		0		0	
f.	Other current assets	'14'	<u>9,858,542</u>	15,997,039	<u>3,042,972</u>	9,789,230
<b>T O T A L....(II)</b>				<u><b>56,399,740</b></u>		<u><b>92,922,314</b></u>
<b>NOTES ON ACCOUNTS</b>		'22'				

For PRASHANT INDIA LTD.

As per our audit report of even date  
For **DEVENDRA GHEEWALA & CO.**  
**CHARTERED ACCOUNTANTS**S/d  
**(P.M.GONDALIA)**  
CHAIRMAN & M.D.S/d  
**(H.M.GONDALIA)**  
WHOLE TIME DIRECTORS/d  
**( D. M. GHEEWALA )**  
PROPRIETOR  
M.No. : 049857  
FRN. : 115563WPlace : Surat.  
Date : 20-07-2012

## PROFIT &amp; LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2012

Sr. No.	Particulars	Sch. No.	31-03-2012		31-03-2011	
			Rs.	Rs.	Rs.	Rs.
I.	Revenue from operations	'15'		29,677,328		20,042,384
II.	Other income	'16'		383,286		321,971
III.	<b>Total Revenue</b>			<b>30,060,614</b>		<b>20,364,355</b>
IV.	<b>Expenses -</b>					
	1. Cost of materials consumed	'17'		1,760,364		647,495
	2. Purchase of stock in trade			0		0
	3. Changes in inventory of finished goods	'18'		212,223		-
	4. Employee benefits expenses	'19'		8,994,352		6,737,010
	5. Finance costs	'20'		10,916		17,842
	6. Depreciation and amortization	'8'		10,167,578		10,314,423
	7. Other expenses	'21'		17,233,233		13,643,440
	<b>Total expenses</b>			<b>38,378,666</b>		<b>31,360,210</b>
V.	Profit before exceptional and extraordinary items and tax			(8,318,052)		(10,995,855)
VI.	Exceptional items			(17,575,804)		0
VII.	Profit before extraordinary items and tax ( V - VI)			(25,893,856)		(10,995,855)
VIII.	Extraordinary items			0		0
IX.	Profit before tax ( VII-VIII)			(25,893,856)		(10,995,855)
X	Tax expense					
	1. Current tax			0		0
	2. Deferred tax			0		0
XI.	Profit/(Loss) for the period from continuing operations ( IX-XI)			(25,893,856)		(10,995,855)
XII.	Profit/(Loss) from discontinuing operations			0		0
XIII.	Tax expenses of discontinuing operations			0		0
XIV.	Profit/(Loss) from Discontinuing operations (after tax (XII-XIII)			(25,893,856)		(10,995,855)
XV.	Profit/(Loss) for the period			(25,893,856)		(10,995,855)
XVI.	Earnings per equity share					
	1. Basic			(1.96)		(2.60)
	2. Diluted			(1.96)		(2.60)

## NOTES ON ACCOUNTS

'22'

For PRASHANT INDIA LTD.

As per our audit report of even date  
For DEVENDRA GHEEWALA & CO.  
CHARTERED ACCOUNTANTSS/d  
(P.M.GONDALIA)  
CHAIRMAN & M.D.S/d  
(H.M.GONDALIA)  
WHOLE TIME DIRECTORS/d  
( D. M. GHEEWALA )  
PROPRIETOR  
M.No. : 049857  
FRN. : 115563WPlace : Surat.  
Date : 20-07-2012

	31-03-2012	31-03-2011
<b>SHARE CAPITAL :</b>		
<b>SCHEDULE '1'</b>		
<u>Authorised -</u>		
1,00,000 Redeemable Cumulative Pref. shares of Rs.100 each	10,000,000	10,000,000
90,00,000 Equity shares of Rs.10 each	90,000,000	90,000,000
	<u>100,000,000</u>	<u>100,000,000</u>
<u>Issued -</u>		
50,14,887 Equity shares of Rs.10 each		
<u>Subscribed and paid up -</u>		
42,35,443 Equity shares of Rs10 each fully paid up	42,354,430	42,354,430
	<u>42,354,430</u>	<u>42,354,430</u>

\* 7,79,444 Equity shares of Rs.10 each forfeited for non payment of calls

\* 5,38,969 Equity shares of Rs.10 each held by two shareholders holding more than 5% shares

<b>RESERVES &amp; SURPLUS :</b>			<b>SCHEDULE '2'</b>
<b>a. Capital Reserve</b>			
Opening balance	2,088,544	2,088,544	
Add : Trf. current year balance	17,930,088	0	
Sub total	<u>20,018,632</u>	<u>2,088,544</u>	
Less : Appropriations	0	0	
Closing balance	20,018,632	2,088,544	
<b>b. Securities premium reserve</b>			
	54,698,368	54,698,368	
<b>c. Profit &amp; Loss A/c Balance</b>			
Opening balance	(406,085,491)	(395,089,635)	
Add : Trf. current year balance	(25,893,856)	(10,995,855)	
Sub total	<u>(431,979,347)</u>	<u>(406,085,491)</u>	
Less : Appropriations	0	0	
Closing balance	(431,979,347)	(406,085,491)	
	<u>(357,262,347)</u>	<u>(349,298,579)</u>	

31-03-2012

31-03-2011

**LONG TERM BORROWINGS :****SCHEDULE '3'**

A Secured -		
Term loans from other parties -		
a Ficon S'ram Cap. Mkt. Ltd.	74,987,760	74,987,760
Ficon S'ram Cap. Mkt. Ltd.	37,299,143	37,299,143
Shantilon Pvt. Ltd.	31,819,098	31,819,098
Interest unpaid	5,443,806	5,443,806
b Shantilon Pvt. Ltd.	122,457,542	122,457,542
c Shantilon Pvt. Ltd.	16,055,905	16,055,905
Shantilon Pvt. LTd.	2,000,000	0
Sub-total (A)	<u>290,063,254</u>	<u>288,063,254</u>

\* Consortium loans in (a) above are secured by hypothecation of all movable current assets and further secured by first charge on land-building, plant-machinery, etc. of Agro division at Bhavnagar

\* Loans in (b) above are secured by first charge on all the immovable properties and also by whole of movable plant-machineries, spares, tools, accessories, both present and future, of Textile division at Palsana

\* Loans in (c) above are secured by first charge on all the immovable properties and also by whole of movable plant-machineries, spares, tools and accessories, both present and future, of wind farm unit

\* Loans above are further secured by personal guarantee of the directors.

\* Loans above are overdue for repayment.

\* There has been a continuous default in the payment of loans and interest since Dec., 1998 when the company became sick within the meaning of the provisions of section 3(1)(o) of the SICA (Special Provisions), 1985.

B Unsecured -		
Term loans from banks -		
IDBI	0	17,930,088
Interest unpaid	0	15,014,095
Sub-total (B)	<u>0</u>	<u>32,944,183</u>
Total (A + B)	<u>290,063,254</u>	<u>321,007,437</u>

**SHORT TERM BORROWINGS :****SCHEDULE '4'**

Secured -		
Working capital loan from bank -		
SBI-WCDL	102,899,939	102,899,939
Less : Recoveries - Deposit in No Lien A/c with SBI	(41,654,348)	(41,654,348)
	<u>61,245,591</u>	<u>61,245,591</u>

\* Loan above is secured by hypothecation of entire current assets including stocks & book debts and further secured by second charge on all the immovable properties of Textile division at Palsana

\* Loan above is further secured by personal guarantee of the directors

\* Loan above is repayable on demand has become overdue for repayment.

\* There has been a continuous default in the payment of loans and interest since Dec., 1998 when the company became sick within the meaning of the provisions of section 3(1)(o) of the SICA (Special Provisions), 1985.

31-03-2012

31-03-2011

**TRADE PAYABLES :****SCHEDULE '5'**

Sundry creditors	1,082,915	1,036,008
Brokerage payable	0	127,711
Professional fees payable - Net	103,994	89,353
GETC	403,439	130,547
GEB	259,476	79,511
	<u>1,849,824</u>	<u>1,463,130</u>

**OTHER CURRENT LIABILITIES :****SCHEDULE '6'**

Advance received for job work	1,020,920	206,570
Sundry creditors for capex	278,944	0
T.D.S. payable	32,298	45,405
G.S.T. & C.S.T. deferment	1,780,172	1,780,172
	<u>3,112,334</u>	<u>2,032,147</u>

**SHORT TERM PROVISIONS :****SCHEDULE '7'**

Other provisions -		
Bad debts	3,965,514	3,965,514
Civil supply case-Bhavnagar	300,000	300,000
EPCG penalty case	7,702,696	7,702,696
Income tax-A.Y. 1995-96	342,778	342,778
Local authorities dues	2,001,352	1,785,244
PF-ESI payable	6,414	0
Professional tax payable	5,590	0
VAT/ Sales tax payable	0	0
Wages & salary payable	712,310	21,927
	<u>15,036,654</u>	<u>14,118,159</u>

	31-03-2012	31-03-2011
<b>LONG TERM LOANS &amp; ADVANCES :</b>		
<b>SCHEDULE '9'</b>		
( Unsecured, considered good )		
Sundry deposits-	1,282,160	1,302,870
	<u>1,282,160</u>	<u>1,302,870</u>
<b>OTHER NON CURRENT ASSETS :</b>		
<b>SCHEDULE '10'</b>		
Bank balances - old balances in c.a/c	0	219,997
Bank balances - old balances in fixed deposit a/c	0	2,000
Other advances & tax deposits -( Doubtful of recovery)	1,466,939	34,176,538
	<u>1,466,939</u>	<u>34,398,535</u>
<b>INVENTORIES :</b>		
<b>SCHEDULE '11'</b>		
(As taken, valued and certified by the management )		
Raw materials	4,200	16,797
Consumable stores, spares, packing materials, etc.	18,500	210,250
Coal, fuel, diesel	358,881	385,519
Finished Goods	70,742	282,965
	<u>452,323</u>	<u>895,531</u>
<b>TRADE RECEIVABLES :</b>		
<b>SCHEDULE '12'</b>		
(Unsecured)		
Outstanding for more than 6 months considered good	1,516,825	1,651,127
others considered good	0	0
Considered doubtful and provided for	3,965,514	3,965,514
	<u>5,482,339</u>	<u>5,616,641</u>
<b>CASH &amp; BANK BALANCE :</b>		
<b>SCHEDULE '13'</b>		
Cash on hand ( As certified by the Directors )	156,427	315,431
Bank balances	47,408	(81,345)
	<u>203,835</u>	<u>234,086</u>
<b>OTHER CURRENT ASSETS :</b>		
<b>SCHEDULE '14'</b>		
Tax refundable	1,264,666	1,091,686
Advance for goods - expenses	576,357	891,312
Other receivables	4,927,604	518,648
Advances recoverable in cash or in kind or for value to be received	3,089,914	541,325
	<u>9,858,542</u>	<u>3,042,972</u>

	31-03-2012	31-03-2011
<b>REVENUE FROM OPERATIONS :</b>		
<b>Sale of products -</b>		
Sales	0	0
<b>Other operating revenues -</b>		
Jobwork charges for yarn sizing	24,803,334	16,579,013
Power generation	4,873,994	3,463,371
	<u>29,677,328</u>	<u>20,042,384</u>

<b>OTHER INCOME :</b>		
Interest received	92,530	69,357
Rebate, Discounts, Claims, Incidental charges	110,756	72,614
Utilities usage charges	180,000	180,000
	<u>383,286</u>	<u>321,971</u>

<b>COST OF MATERIALS CONSUMED :</b>		
Opening stock	16,797	16,797
Add : Purchases	<u>0</u>	<u>0</u>
	16,797	16,797
Less : Closing stock	<u>4,200</u>	<u>16,797</u>
	12,597	0
Consumption of stores, spares, etc.		
Opening stock	210,250	247,350
Add : Purchases	<u>1,556,017</u>	<u>610,395</u>
	1,766,267	857,745
Less : Closing stock	<u>18,500</u>	<u>210,250</u>
	<u>1,747,767</u>	<u>647,495</u>
	<u>1,760,364</u>	<u>647,495</u>

<b>CHANGE IN FINISHED GOODS STOCK :</b>		
Opening stock	282,965	282,965
Less : Closing stock	<u>70,742</u>	<u>282,965</u>
	<u>212,223</u>	<u>0</u>

<b>EMPLOYEE BENEFITS EXPENSE :</b>		
Salary & wages to workers	7,417,467	5,350,340
Salary and emoluments to staff	1,277,606	1,087,402
Directors' Remuneration	299,279	299,268
	<u>8,994,352</u>	<u>6,737,010</u>

31-03-2012

31-03-2011

**FINANCIAL CHARGES :****SCHEDULE '20'**

Bank commission & charges		10,794		14,784
Interest expenses -				
Interest expenses	0		2,839	
Interest on TDS/ Sales tax/ I.T., etc.	122	122	218	3,057
		<u>10,916</u>		<u>17,842</u>

**OTHER EXPENSES :****SCHEDULE '21'**

<b>1 Manufacturing &amp; trading expenses</b>				
Factory expenses		66,000		137,663
Power & fuel expenses		10,775,339		10,088,708
Repairs & maintenance -		2,536,861		1,208,920
Sundry wages and carting exps.		195,851		82,793
		<u>13,574,051</u>		<u>11,518,084</u>
<b>2 Administrative expenses -</b>				
Auditor's remuneration		30,000		30,000
Computer exps.		11,535		2,715
Insurance exps.		115,979		151,003
Legal & professional fees		2,007,148		950,982
Listing fees		66,580		11,475
Office expenses		55,906		48,830
Postage expenses		45,794		72,943
Profession tax		2,400		2,400
Rent, rates & taxes		133,766		60,760
Security exps.		90,500		92,430
Staff welfare exps.		290,908		143,811
Stationery and printing		73,116		71,828
Telephone & telex exps.		48,721		28,742
Travelling, conveyance & vehicle exps.		414,829		455,737
		<u>3,387,182</u>		<u>2,123,656</u>
<b>3 Selling &amp; distribution expenses -</b>				
Sales tax expenses		272,000		100
Yarn testing charges		0		1,600
		<u>272,000</u>		<u>1,700</u>
		<u>17,233,233</u>		<u>13,643,440</u>

**SCHEDULE '8'**  
**FIXED ASSETS AND DEPRECIATION :**

Sr.	Description of assets	Rate of Depre. %	GROSS BLOCK			DEPRECIATION			NET BLOCK		
			As on 01-04-2011	Addition	Deduction	As on 31-03-2012	As on 01-04-2011	Addition	Deduction	As on 31-03-2012	As on 31-03-2011
1	Land - Freehold		4838520	0	0	4838520	0	0	0	4838520	4838520
2	Factory Building	3.34	25161735	2027677	0	27189412	13795211	857334	14652545	12536867	11366524
3	Plant & machineries	5.28	168932884	0	0	168932884	144810332	8919657	153729989	15202895	24122552
4	Electrifications	4.75	7254062	0	0	7254062	2411976	344568	2756544	4497518	4842086
5	Computer system	16.21	916025	0	0	916025	891170	7544	898714	17311	24855
6	Printer	16.21	67750	0	0	67750	65575	2175	67750	0	2175
7	Furniture & fixtures	6.33	986990	0	0	986990	981770	5220	986990	0	5220
8	Office equip	6.33	415681	14500	0	430181	251071	27230	278301	151880	164610
9	Epabx system	6.33	24800	0	0	24800	9289	1570	10859	13941	15511
10	Vehicles-Scooters etc.	9.50	774797	0	0	774797	752847	2280	755127	19670	21950
11	Capital WIP	0.00	2027677	375000	2027677	375000	0	0	0	375000	2027677
	TOTAL		211400921	2417177	2027677	211790421	163969241	10167578	174136819	37653602	47431680
	Previous year ->		211188291	212630	0	211400921	153654818	10314423	163969241	47431680	57533473

## **SCHEDULE '22'**

### **SCHEDULE OF AUDIT NOTES AND OBSERVATIONS ON ACCOUNTS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2012.**

#### **1. Accounting Policies :**

##### **a. Method of accounting -**

The financial statements are prepared under the historical cost convention and in accordance with the Generally Accepted Accounting Principles. The Company has been following accrual system of accounting both as to income and expenditure except for gratuity, leave encashment and bonus, which are charged to profit & loss account on cash basis and that is contrary to the specific provisions of the Companies Act, 1956 and also contrary to the Accounting Standard 15 issued by the Institute of Chartered Accountants of India.

##### **b. Going concern -**

Despite the facts as mentioned herein below, accounts are continued to be prepared on 'Going Concern Basis', in the absence of adequate essential data and information for compilation on an alternative basis.

- The operations of Agro division of the company have been suspended since 1998.
- The company having incurred net losses during the current year and continuously incurring cash losses for last several years
- The Net Worth of the Company has been eroded completely based on the Audited Annual Financial Statements of the company since the year ended on 31<sup>st</sup> March, 1998.
- The Accumulated Losses of the company as at the end of the financial year, are far exceeding the entire Net Worth of the company
- The BIFR and the Appellate Authority AAIFR have held that the company should be wound up u/s 20(1) of SICA, 1985 vide order dt.14-09-2006 and dt.06-12-2010 respectively. (Also refer note no.17 )

Consequently, no adjustments are made in the accounts for compilation of Accounts on an alternative basis relating to the recoverability of recorded asset amounts and in respect of likely devolvement of recorded liabilities and contingent liabilities.

##### **c. Fixed Assets -**

All fixed assets are stated at cost of acquisition or construction. They are stated on historical cost basis less accumulated depreciation.

##### **d. Depreciation-**

Depreciation on fixed assets is provided on straight line method on pro rata basis as per the rates prescribed under the Companies Act, 1956. (Please also refer note no. 8)

##### **e. Investments -**

Investments are stated at cost of acquisition.

##### **f. Inventories -**

Inventories are valued at cost or market value, whichever is less.

##### **g. Revenue Recognition -**

The purchases and sales are shown after making adjustments for claims, rebates, rate difference, discounts, etc. received/paid as per the practice prevailing in the trade. Necessary adjustments for the same is done either by passing journal entry or rectifying the original invoice of purchase/sales and accounting the same in subsidiary books etc. with amount NET RECEIVED or NET PAID for the particular invoice.

h. Contingent liabilities -

These are disclosed in the notes on accounts. Provision is made in the accounts in respect of contingencies which are likely to materialise into liabilities after the year till the approval of accounts by the Board of Directors and which have material effect on the position stated in the Balance Sheet.

2.a. Estimated amount of contracts remaining to be executed on capital accounts and not provided for Rs. Nil (Previous year Rs. Nil)

b. Contingent liabilities -

Name of statute / Authority	Nature of dues	Amount Rs. lacs	Forum where dispute is pending	Management's perception, if any
Gujarat Sales Tax Act, 1969	Demand on regular assessment A.Y.1986-87 to 89-90 A.Y.1993-94 to 98-99	544.68	Case reminded by Tribunal to A.C., Sales Tax, Bhavnagar	The demand raised is based on false presumptions only and hence, no liability is envisaged.
	Demand on regular assessment A.Y.2002-03	10.24	GVAT Tribunal, Gujarat	Demand raised due to purchases from allegedly fictitious dealers is not taxable because of documentary evidences and facts on the subject
N.A.	Guarantee commission payable to directors & others 1999-00 to 2009-10	101.78	N.A.	Commission payable to directors and others for providing guarantee and security to the banks and financial institutions against their lending to the company.
Civil Suit	Non payment of materials supplied and other charges up to dt.30-11-01 as per contract by BHEL - 1995	116.47	Fast Track Court, Ranipat O.S.No.25 of 2006	Supply of machines by BHEL has not been in accordance with the terms of contract.
Civil Suit	Claims against the company not acknowledged as debt	7.16		No liability is envisaged by the management on this account

3. The company has not made provisions for following items :

Nature of liability	Amount Rs.lacs	Management's perception, if any
Interest to Assignee of loan of IOB, BOB and SBH – simple interest @ 13% p.a. since 1998	2527.39	The Company has successfully settled the dues of IOB, BOB, SBH and IFCI under OTS Scheme through Assignment of Debt by Strategic Investor. The company has also successfully settled the dues of IREDA and loan of IDBI under OTS.
Interest to Assignee of loan of IFCI – simple interest @ 13% p.a. since 1998	2069.53	
Interest to Shantilon Pvt. Ltd.– simple interest @ 12% p.a.	115.53 +2.40	
Interest to SBI	1211.00	The company is financially unable to provide for interest due.
Other advances being Sales & purchase tax	4.12	The amount is refundable to the company.
Adv. For Cap. Goods	2.77	
Claims against the co.	7.53	
<b>GRAND TOTAL</b>	<b>5940.27</b>	Nil Nil

The company has not made provisions for the above items, which in the opinion of the Auditors, need provision. Had the provision been made in the books of accounts, the accumulated losses of the company would have increased by Rs.5940.27 lacs.

4. Prior period adjustments appearing in profit & loss account includes following items –

Nature of liability	Amount Rs. lacs
Bank old balances w/off	2.29
Excise duty receivable w/off	1.02
Export incentives receivable w/off	143.29
I.O.B. various claims receivable w/off	55.07
Bank interest claims receivable w/off	30.93
Misc. receivables w/off	33.06
Insurance claim receivable w/off	31.49
Local authority dues	1.43
BHEL receivable w/off- MRTP case rejected	7.32
Interest on IDBI loan add back	(130.14)
<b>Total</b>	<b>175.76</b>

5. Value of imports on C.I.F. basis Rs. Nil (Previous year Rs.Nil)

6. Earnings or Expenditure in foreign exchange – Foreign travelling Rs. 52929/- (Euro 796.60)  
(Previous year Rs. Nil)

7.a. Remuneration paid to directors Rs. 2,99,268/- (Previous year Rs.2,99,268/-).

b. Travelling & conveyance expenses incurred by Directors Rs.2,15,302/-  
(Previous year Rs. 2,42,408/-).

8. Auditors Remuneration :

	Current year	Previous year
a. As Auditors	15,000	15,000
b. As Advisors in following matters	-	-
1. Taxation matters	-	-
2. Company Law matters	-	-
3. Any other matters	7,000	7,000
c. As Tax Auditors	3,000	3,000
Total	30,000	30,000

9. The company has provided depreciation of Rs.16.25 lacs on assets of agro division as the depletion of assets has continued even though the division was closed during the whole year. Plant & machineries have been considered to be continuous process plant and depreciation has been charged accordingly.
10. The balances of sundry debtors, sundry creditors, secured and unsecured loans, loans and advances and old bank balances are subject to confirmation and have been taken on the basis of the accounts in the books of the company
11. The closing stock of raw materials, finished goods, consumable stores, oil, diesel and packing materials are as taken, valued and certified by the directors of the company.
12. In the opinion of Board of Directors, all the current assets, loans and advances have net realisable value as stated in the balance sheet except for loans and advances and old bank balances in respect of which provision is required to be made as mentioned in note no.3.
13. Sundry debtors (unsecured, considered good) include a sum of Rs.Nil (Previous year Rs.Nil) due by companies/firms in which director(s) is/are interested as director/member. Loans & advances (unsecured, considered good) include a sum of Rs.Nil (Previous year Rs.Nil) due by companies/firms in which director(s) is/are interested as director/member.
- 14.a. The company has no information regarding which of its suppliers is a small scale industrial undertaking. Hence, the particulars of amounts payable to such undertakings, if any, have not been given as required under Schedule VI to the Companies Act, 1956.
- b. The company is not in a position to identify the amounts payable to small scale and ancillary undertakings under the provision of the "Interest on the delayed payment to small scale and ancillary undertaking Act, 1993" and accordingly it is not possible to quantify the extent of overdue interest payable under the said Act.
15. During the year under review, there was no employee drawing remuneration of Rs.2,00,000/- per month or RS.24,00,000/-per annum. Moreover, there was no employee drawing if employed for the part of the year in receipt remuneration of Rs.2,00,000/ per month or Rs.24,00,000/- for the part of the year.
16. The company had been held sick industrial company within the meaning of the provisions of sec.3(1(0) of the Sick Industrial Companies ( Special Provisions ) Act, 1985 by the BIFR on dt.20-09-2005 and has been held to be wound up u/s 20(1) of the said Act by the BIFR on dt.14-09-2006. The said order has been upheld by the AAIFR on dt.06-12-2010. These orders of company's winding up are challenged by the company, by way of civil application before the Hon'ble Gujarat High Court.

17. The company has been continuously persuading secured creditors for the one time settlement of their dues. In this process, it has successfully settled the dues of some of the secured and unsecured creditors by augmenting resources from M/s. Shantilon Pvt. Ltd. ( hereinafter referred to as SPL ) and M/s. Ficon Shreeram Capital Market Services Ltd. (Ficon) and the current status of secured creditors stands as mentioned below -

Division of company	Secured creditor	Remarks	Present status
Wind farm	IREDA	Dues settled	<b>SPL</b> hold first exclusive charge over the assets of wind farm division vide Deed of Mortgage Dt.26-03-2007
Agro	IOB	Dues assigned	Ficon holds pari passu charge over the assets of Agro division vide Deed of Assignment executed on dt.15-02-2012
	BOB	Dues assigned	Ficon holds pari passu charge over the assets of Agro division vide Deed of Assignment executed on dt.19-05-2011
	SBH	Dues assigned	<b>SPL</b> has been assigned debt of SBH in accordance with the terms of Assignment Agreement executed on dt.26-10-2010
Textile	IFCI	Dues assigned	<ul style="list-style-type: none"> <li>• <b>SPL</b> has been assigned debt in full of IFCI in accordance with the terms of Deed of Assignment executed on Dt.08-07-2009</li> <li>• <b>SPL</b> holds equivalent rights as enjoyed by IFCI including first charge over fixed assets of Textile division and second charge over current assets of Textile division</li> <li>• To issue equity shares of the company at face value up to Rs.65 lacs as per BIFR's directives</li> </ul>
	SBI	Negotiations are in progress	No change
	IDBI	Dues settled	<b>SPL's</b> charge on assets of the company created earlier has been extended to cover the amount contributed for settlement of dues of IDBI

18. Figures of previous year are regrouped or rearranged to make them comparable with the current year figures.

19. Licensed, installed capacities and production; quantitative & other details – Annexure 'A'

20. Related party disclosure –

Particulars	Associates	Key management persons	Enterprise over which management has substantial interest	Total Rs. lacs
Purchase	N.A.	N.A.	Nil	Nil
Sales	248.03	N.A.	Nil	Nil
Utility charges	N.A.	N.A.	1.80	1.80
Inter corp. deposit	295.00	Nil	Nil	295.00
Managerial remu.	N.A.	2.99	N.A.	2.99

## 21. Segment information – Annexure 'B'

(Rs. In lacs)

Particulars	Textile unit	Agro unit	Windmill unit	Total
Revenue -				
External	251.87	0.00	0.00	251.87
Inter segment	0.00	0.00	0.00	0.00
Intra segment	0.00	0.00	48.74	48.74
<b>Total</b>	<b>251.87</b>	<b>0.00</b>	<b>48.74</b>	<b>300.61</b>
Profit before tax	(60.80)	(19.60)	(2.78)	(83.18)
Current tax	0.00	0.00	0.00	0.00
Deferred tax	0.00	0.00	0.00	0.00
Profit after tax	(60.80)	(19.60)	(2.78)	(83.18)
Segment assets	2,178.22	2,345.02	160.56	4,683.80
Segment liabilities	2,178.22	2,345.02	160.56	4,683.80
Capital expenditure	0.00	0.00	0.00	0.00
Depreciation	57.38	16.25	28.04	101.68
Other non cash exps.	0.00	0.00	0.00	0.0

## 22. Earning per share (Basic / Diluted)

	31-03-2012	31-03-2011
Profit after tax	(83.18)	(109.96)
Less : Pref. Share dividend	Nil	Nil
Balance	(83.18)	(109.96)
No. of equity shares	4235443	4235443
Nominal value of shares	10	10
EPS	(1.96)	(2.60)

23. In view of huge accumulated losses endangering 'Going Concern' status of the company, Deferred Tax Assets are not recognized following the principle of conservative.

Signatories to schedules '1' to '22'  
For PRASHANT INDIA LTD.

For DEVENDRA GHEEWALA & CO.  
CHARTERED ACCOUNTANTS

Sd/  
(P.M.GONDALIA)  
CHAIRMAN & M.D.

Sd/  
(H.M.GONDALIA)  
WHOLE TIME DIRECTOR

Sd/  
(D.M.GHEEWALA)  
PROPRIETOR

Place : Surat.

Date : 20-07-2012.

QUANTITATIVE INFORMATION FORMING PART OF THE ACCOUNTS AS AT  
31ST MARCH, 2011

A CAPACITY

	LICENSED		INSTALLED		UTILISED	
	31-03-12	31-03-11	31-03-12	31-03-11	31-03-12	31-03-11
a Agro division -						
Extraction plant (MT)	75000	75000	75000	75000	0	0
Refinery (MT)	6000	6000	6000	6000	0	0
Oil mill	NA	NA	24000	24000	0	0
b Textile division -						
Sizing (MT)	NA	NA	1650	1650	2365.654	1670.000
Texturising (MT)	NA	NA	2010	2010	0.000	0.000
Twisting (MT)	NA	NA	350	350	0.000	0.000
c Wind farm division -						
Power generation	NA	NA	1 MW	1 MW	914296	612887

Note : Licensed & installed capacity are as certified by the management.

B OPENING & CLOSING STOCK -

(Rs. lacs)

	OPENING STOCK				CLOSING STOCK			
	2011-12		2010-11		2011-12		2010-11	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
a Agro division								
Raw materials	-	0	-	0	0	0	0	0
Finished goods								
b Textile division								
R.M.- yarn (MT)	0.221	0.17	0.221	0.17	0.221	0.17	0.221	0.17
F.G.- yarn (MT)	4.283	2.82	4.283	2.82	4.283	2.82	4.283	2.82
- Fabrics('000 Mtr)	0.000	0	0.000	0	0.000	0.00	0.000	0

C PURCHASE & SALES -

(Rs. lacs)

	PURCHASE				SALES			
	2011-12		2010-11		2011-12		2010-11	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
a Agro division								
Raw materials	0	0	0	0	0	0	0	0
Finished goods	0	0	0	0	0	0	0	0
b Textile division								
R.M.- yarn (MT)	0.000	0	0	0.00	0.000	0	0.000	0
F.G.- yarn (MT)	0.000	0	0	0	0.000	0	0.000	0
- Fabrics('000 Mtr)	0.000	0	0	0	0.000	0	0.000	0
Job charges					2365.654	248.03	1578.95	165.79
c Wind farm					914296	48.74	612887	34.63

D RAW MATERIAL & STORES CONSUMED -

(Rs. lacs)

	RAW MATERIAL				STORES			
	2011-12		2010-11		2011-12		2010-11	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
a Agro division								
b Textile division								
R.M.- yarn (MT)	0.000	0	0.000	0	-	15.65	-	6.38
c Windfarm division						1.83		0.09

CASH FLOW STATEMENT	Rs. In '000	
	31-03-2012	31-03-2011
<b>A CASH FLOW FROM OPERATING ACTIVITIES -</b>		
Net profit before tax and extraordinary items	(8,318)	(10,996)
Adjustment for-		
Taxation	0	0
Depreciation	10,168	10,314
Provision for doubtful debts	-	-
Profit / loss on sale of fixed assets & investments	-	-
Prior period items	354	-
Interest shown separately	11	18
Operating profit before working capital change	2,215	(664)
Adjustment for -		
Trade & other receivable	134	2,707
Inventories	443	(348)
Trade payable	2,385	(711)
Other current assets, loans & advances	26,137	(754)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>31,314</b>	<b>230</b>
Interest paid	(11)	(18)
Tax refunds	-	(18)
<b>CASH FLOW BEFORE EXTRA ORDINARY ITEMS</b>	<b>31,303</b>	<b>213</b>
Less : Extraordinary items	-	-
<b>Net cash flow from operating activities</b>	<b>31,303</b>	<b>213</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES -</b>		
Purchase of fixed assets	390	213
Adjustment / Sale of fixed assets / investments	-	-
<b>Net cash used in investment activities</b>	<b>390</b>	<b>213</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital	-	-
Proceeds from long term borrowing	-	-
Repayment of Finance / Lease liabilities	30,944	-
<b>Net cash outflow from financing activities</b>	<b>30,944</b>	<b>-</b>
Net change in cash & cash equivalents	(30)	(0)
CASH AND CASH EQUIVALENTS - Op. Bal.	234	234
CASH AND CASH EQUIVALENTS - Cl. Bal.	204	234

We have verified the above Cash Flow Statement of Prashant India Ltd. derived from the Audited Annual Financial Statement for the year ended on 31st March, 2011 and 31st March, 2010 and have found the same to be drawn in accordance therewith and also with the requirements of clause 32 of the listing agreement.

For PRASHANT INDIA LTD.

For DEVENDRA GHEEWALA & CO.  
CHARTERED ACCOUNTANTS

Sd/  
(P.M.GONDALIA)  
CHAIRMAN & M.D.

Sd/  
(H.M.GONDALIA)  
WHOLE TIME DIRECTOR

Sd/  
(D. M. GHEEWALA)  
PROPRIETOR  
M.No. : 049857  
FRN. : 115563W

Place : Surat.  
Date : 20-07-2012

**Statement pursuant to Part IV of Schedule VI of the Companies Act, 1956.**  
Balance Sheet Abstract and Company's General Business Profile.

**1. Company's Registration details :**

Registration no.	-	6574	State Code	-	4
Date of incorporation	-	23-11-1983			

**2. Capital raised during the year : ( Amount in Rs. Thousands )**

Public issue	-	0	Right issue	-	0
Bonus issue	-	0	Private placement	-	0

**3. Details of mobilisation and deployment of funds : (Amount in Rs. Thousands )**

Total liabilities	-	36,401	Total assets	-	36,401
<u>Sources of funds :</u>			<u>Application of funds :</u>		
Paid up capital	-	42,354	Net fixed assets	-	37,654
Reserves and surplus	-	(357,262)	Investments	-	0
Secured loans	-	351,309	Net current assets	-	(1,253)
Unsecured loans	-	0	Misc. expenditure	-	0

**4. Performance of company : (Amount in Rs. Thousands )**

Turnover	-	30,061	Total expenditure	-	38,379
Profit before tax	-	(25,894)	Profit after tax	-	(25,894)
Earning per share	-	(6.11)	Dividend rate %	-	-

**5. Numeric names of three principal products/services rendered :**

Product description -	Item code no. -
Polyster filament yarn	54024300
Texturised yarn	54024300
Rapeseed meal	230640-02
Soyabea mean	230400-03
Wind power energy	

For PRASHANT INDIA LTD.

For DEVENDRA GHEEWALA & CO.  
CHARTERED ACCOUNTANTS

Sd/  
(P.M.GONDALIA)  
CHAIRMAN & M.D.

Sd/  
(H.M.GONDALIA)  
WHOLE TIME DIRECTOR

Sd/  
( D. M. GHEEWALA )  
PROPRIETOR  
M.No. : 049857  
FRN. : 115563W

Place : Surat.  
Date : 20-07-2012

## JOINING GREEN INITIATIVE- ELECTRONIC MODE OF SERVICE OF DOCUMENT

In response to Circular of Ministry of Corporate Affairs for services of notice of documents etc through electronic mode your company has initiated efforts to support the initiative taken by department.

We seek your support in the matter and request you to furnish the details of your email address to the company for service of documents by email. The details as given below may be furnished form your email id to the company at its email [info@prashantindia.info](mailto:info@prashantindia.info) or to be sent at the registered office of company in physical form.

The company shall furnish notices etc on your email id . However you shall still be entitled to physical copy on request. The details shall also be posted on website of company for benefit of stake holder.

### THE DETAILS TO BE FURNISHED

1	Folio No.	
2	Name of First Holder	
3	Name(S) of Joint Holders (if any)	
4	Email address (to be Registered)	
5	Telephone Number. and Mobile Number	

# PRASHANT INDIA LTD.

Registered Office : Block No. 456, Palsana Char Rasta, N.H.8,  
Palsana - 394 315 (SURAT)

## ENTRANCE PASS

To Be Presented At Entrance, Annual General Meeting To Be Held On Saturday 29th September 2012 at 11.00 a.m. I Certify that I am a Registered Share holder of the Company and hold \_\_\_\_\_ Shares, vide Folio No. \_\_\_\_\_ (Please indicate whether Member / Proxy.)

Member's/Proxy Signature

- Note:
1. Share holder / Proxy holder wishing to attend the meeting must bring the admission slip to the meeting and hand over at the entrance duly signed.
  2. A Share holder / Proxy holder desiring to attend the meeting should bring this copy of Annual Report for reference at the meeting.

Note: The form duly completed should be deposited at the Registered Office of the Company at PALSANA not later then 48 hours before the time of the meeting.

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Registered Office : Block No. 456, Palsana Char Rasta, N.H.8,  
Palsana - 394 315 (SURAT)

## PROXY FORM

Ledger Folio No. \_\_\_\_\_ No. of Shares Held \_\_\_\_\_

I / We \_\_\_\_\_ of \_\_\_\_\_ being a member (s)

of the above named company. hereby appoint

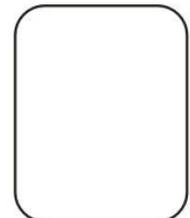
Proxy to vote for me / use on my / our behalf at the twenty Nine Annual General Meeting of the Company to be held on Saturday 29th Spet. 2012 and at any adjournment there of.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Signature of witness \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_



Note : The form duly completed should be deposited at the Registered Office of the Company at PALSANA not later then 48 hours before the time of the meeting.