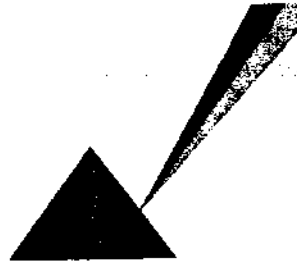


PRISM FINANCE LIMITED



For, Prism Finance Ltd.
[Signature]
Director

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A N N U A L
R E P O R T
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TWELFTH ANNUAL REPORT 2005-06

BOARD OF DIRECTORS : **Mr. Pranay A. Patel** *Chairman*
Mr. Prashun P. Amin *Director*
Mr. Naresh P. Rawal *Director*
Ms. Poonam P. Patel *Director*

BANKERS : **Bank of Baroda**
Ambawadi
Ahmedabad.

HOFC Bank Limited
Ahmedabad.

State Bank of India
Cuffe Parade Branch
Mumbai.

COMPANY SECRETARY : **Mr. Hitesh T. Mehta**
Company Secretary

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

**REGISTERED OFFICE
AND FACTORY** : 1-2, 2nd Floor, Fountain Place Complex,
Nr. Mithakhali Six Roads,
Navrangpura,
Ahmedabad - 380 009.

NOTICE

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

Date : 29th September 2006
 Day : Friday
 Time : 11.00 a. m.
 Place : Registered Office of the Company at:
 1-2, 2nd Floor, Fountain Place Complex,
 Nr. Mithakhali Six Road,
 Navrangpura,
 Ahmedabad - 380 009.

to transact the following business :

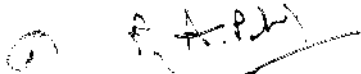
ORDINARY BUSINESS :

1. To receive and adopt Audited Profit and Loss Account for the year ended 31st March, 2006 and the Balance Sheet as on that date along with Directors' Report thereon.
2. To appoint a Director in place of Mr. Pranay A. Patel, 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:

1-2, 2nd Floor, Fountain Place Complex,
 Nr. Mithakhali Six Road,
 Navrangpura,
 Ahmedabad-380 009.
 Date : 12th August, 2006.

By the Order of the Board,


Pranay A. Patel
 Chairman

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
2. Pursuant to section 154 of the Companies Act, 1956, Register of Members and Shares Transfer Books of the Company will remain closed from Saturday, the 23rd September, 2006 to Friday, the 29th September, 2006 (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.

DIRECTORS' REPORT

Dear Shareholders,

The Directors present the TWELFTH ANNUAL REPORT together with the Audited Statement of Accounts for the Financial Year 2005-06 ended 31st March, 2006.

1. FINANCIAL RESULTS:

	2005-06	(Rs.in Lacs) 2004-05
Profit before Depreciation & Provision	57.79	18.17
Less: Depreciation	0.54	0.54
Profit before Provision	57.25	17.63
Add: Excess Provision Written Back	0.01	-
Add: Provision for Diminution in value of Investment now written back	36.80	15.62
Profit before Taxation	94.06	33.25
Less: Provision for FBT	0.02	-
Less: Provision for Taxation	5.25	2.50
Profit after Tax	88.79	30.75
Balance brought forward from previous year	(7.15)	(37.90)
Balance carried to Balance Sheet	81.64	(7.15)

2. DIVIDEND:

With a view to conserve the resources for expansion of its activities, the Board of Directors have not recommended any dividend on the Equity Shares for the year under review.

3. OPERATIONS:

The Total Income of the Company during the year under review have been increased to Rs. 71.71 lacs compared to Rs. 26.24 lacs during 2004-05. Due to the bullish trend prevailing in the Primary and Secondary Share Market the operations of the Company was improved. The management is hopeful of better results in the year 2006-07.

The Company earned Profit before Depreciation and Provision of Rs. 57.79 lacs during the year under review compared to Rs. 18.17 lacs during 2004-05. The Net Profit during the year under review was Rs. 88.79 lacs compared to Net Profit of Rs. 30.75 lacs during 2004-05.

4. DIRECTORS:

One of your Directors viz. Mr. Pranay A. Patel, retires by rotation in terms of 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 31st March, 2006 being end of the Financial Year 2005-06 and the Profits of the Company for the year;
- (iii) that the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.

6. DEMATERIALISATION OF EQUITY SHARES:

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

7. CORPORATE GOVERNANCE:

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

8. LISTING:

The Equity Shares of the Company are listed on Ahmedabad and Mumbai Stock Exchanges and the Company has paid Annual Listing Fees upto the year 2006-07.

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.

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 Opel Securities Private Limited, together with the reports of the Directors' and Auditors' for the year ended on 31st March, 2006, 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,

Pranay A. Patel
Chairman

Place : Ahmedabad
Date : 12th August, 2006

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 Director ships *	Committee (1) Membership/ (2) Chairmanship in other companies	No. of Board Meetings attended	Attendance at the AGM held on 29 th September, 2005 (Y)/(N)
Pranay A. Patel Chairman	Non-Executive	2	-	6	Y
Poonam P. Patel	Non-executive	-	-	6	Y
Prashun P. Amin	Independent Non-executive	-	-	6	Y
Naresh P. Rawal	Independent Non-executive	-	-	6	Y

* Private companies excluded.

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

Name of Director	Pranay A. Patel
Date of Birth	14-07-1964
Date of Appointment	28-04-1994
Expertise in specific functional areas	Management
List of Public Limited Companies in which Directorship held	Som Shiva (Impex) Limited
Chairman/Member of the Committees of the Board of Directors of the Company	Share Transfer/Investor Grievance Committee
Chairman/Member of the Committees of Directors of other companies.	NIL

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 30-04-2005, 30-07-2005, 10-08-2005, 13-08-2005, 26-10-2005 and 30-01-2006.

3. AUDIT COMMITTEE:

The Audit Committee consists of the following Directors:

Name of the Directors	Expertise	Functions of the Committee	Attendance
Mr. Prashun P. Amin	All members are non-executive. Chairman is independent Director and majority 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: 30-04-2005, 30-07-2005, 26-10-2005 and 30-01-2006.
Mr. Naresh P. Rawal			
Ms. Poonam P. Patel			

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. Pranay A. Patel, Chairman, Mr. Naresh P. Rawal and Ms. Poonam P. Patel, Directors are the Members of the Committee.

The Company has received three complaints during the year. There was no valid request for transfer of shares pending as on 31st March 2006.

Mr. Hitesh T. Mehta, Company Secretary 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
2002-03	27-09-2003	11.00 a.m.	1-2, 2 nd Floor, Fountain Place Complex, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad - 380 009.
2003-04	29-09-2004	11.00 a.m.	
2004-05	29-09-2005	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 31st March 2006, 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 : 1-2, 2nd Floor, Fountain Place Complex, Nr. Mithakhali Six Road, Navrangpura, Ahmedabad - 380 009.
- Annual General Meeting :
 - Day : Friday
 - Date : 29th September, 2006
 - Time : 11.00 a. m.
 - Venue : 1-2, 2nd Floor, Fountain Place Complex, Nr. Mithakhali Six Road, Navrangpura, Ahmedabad - 380 009.

l) Category of Shareholders as on 31st March, 2006:

Category	No. of Shares held	% of Shareholding
Promoters	3013700	46.36
Financial Institutions/Banks	-	-
Mutual Funds	-	-
Bodies Corporate	537000	8.26
NRIs	232600	3.58
Public	2717000	41.80
Grand Total	6500300	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:

1-2, 2nd Floor, Fountain Place Complex, Nr. Mithakhali Six Road, Navrangpura, Ahmedabad – 380 009.

Tele. No. : 079-26401121

Fax No. : 079-26421239

E-mail : prismfinance@yahoo.com

Compliance Officer : Mr. Hitesh T. Mehta, Company Secretary

For and on behalf of the Board,

Place : Ahmedabad
Date : 12th August, 2006

Pranay A. Patel
Chairman

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 31st March, 2006 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
Chartered Accountants

Date : 12th August, 2006
Place : Ahmedabad

Nimish B. Shah
Partner

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 2005-06 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.

AUDITORS' REPORT

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

1. We have audited the attached Balance Sheet of M/s. M/S. PRISM FINANCE LIMITED, as at 31st March, 2006 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 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 31st March, 2006, 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 31st March, 2006.
 - (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
Chartered Accountants

(Nimish B. Shah)
Partner
Membership No. 30102

Place : Ahmedabad
Cated : 12th August, 2006

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 is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As per the explanation provided to us, the fixed assets have been physically verified by the management at the end of the year and no material discrepancies were noticed on such verification as compared to the above records has been found.
 - (c) During the year the company did not dispose off its substantial part of fixed assets.
2.
 - (a) According to the information and explanations given to us, the company has granted interest free unsecured loans to five companies and four parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 2,14,86,148/- and the year-end balance of loans granted to such parties was Rs. 1,70,31,725/-.
 - (b) According to the information and explanations given to us, the company has taken interest free unsecured loan from two parties covered under section 301 of the Companies Act, 1956. The maximum amount involved during the year and year end balance was Rs. 21,00,000 and Rs. 18,00,000 respectively.
 - (c) According to the information and explanations given to us, the other terms and conditions of the interest free loans as stated in para (a) & (b) above are in our opinion, not prima facie prejudicial to the interest of the Company.
 - (d) The companies/party to whom the loans have been granted/taken as referred to in (a) & (b) above, the recovery/payment of principal amounts are regular as stipulated.
 - (e) There are no overdue amounts of more than rupees one lakh in respect of loans referred to in (a) above.
3. 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 for the purchase of fixed assets and sales of goods and services. During the course of audit, we have not observed any major weaknesses in the internal control system.
4.
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) 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.
5. As explained to us, the Company has not accepted any deposits from the public during the year.
6. 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.
7. 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 Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues have been regularly deposited with the appropriate authority.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31-03-2006 for a period of more than six months from the date they became payable is Nil.

8. The company's accumulated losses are not more than 50% of its net worth as at 31-03-2006. Further, the company has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
9. In our opinion and according to information and explanations given to us, the company has not defaulted in repayment of dues to banks.
10. 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.
11. In respect of dealing in shares and other investments, the company has 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.
12. According to information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
13. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that no funds raised on short term basis have been used for long term investments.
14. In our opinion and the information and explanation provided to us, no fraud on or by the company has been noticed or reported during the year.
15. Other clauses of the said order are not applicable to the company.

For Shah & Shah Associates
Chartered Accountants

(Nimish B. Shah)
Partner
Membership No. 30102

Place : Ahmedabad
Dated : 12th August, 2006

PRISM FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2006


		(Amount in Rs.)	
		As at	As at
		31-3-2006	31-3-2005
		SCHEDULE	
SOURCES OF FUNDS :			
Shareholders' Funds			
Share Capital	1	<u>65,003,000</u>	<u>65,003,000</u>
Reserve & Surplus			
Profit & Loss Account		<u>8,164,699</u>	(714,976)
Loan Funds			
Total Rs.	2	<u>1,800,000</u>	<u>530,000</u>
		<u>64,967,699</u>	<u>64,818,024</u>
APPLICATION OF FUNDS :			
Fixed Assets			
Gross Block	3	<u>5,282,464</u>	<u>7,982,464</u>
Less: Depreciation		<u>1,194,621</u>	<u>1,141,051</u>
Net Block		<u>4,087,843</u>	<u>6,841,413</u>
Investments	4	<u>50,374,520</u>	<u>32,834,019</u>
Current Assets, Loans & Advances	5	<u>21,894,420</u>	<u>25,155,856</u>
Less : Current Liabilities	6	<u>1,389,089</u>	<u>194,603</u>
Net Current Assets		<u>20,505,336</u>	<u>24,961,253</u>
Miscellaneous Expenditure	7	-	181,339
(to the extent not written off or adjusted)			
Profit and Loss Account			
Balance as per Annexed Account		-	-
Total Rs.		<u>74,967,699</u>	<u>64,818,024</u>
Notes forming part of accounts	11		

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

Nimish B. Shah
Partner

H. T. Mehta
Company Secretary

For and on behalf of the Board


Pranay A. Patel

Chairman

Naresh P. Rawal

Director

Place : Ahmedabad
Date : 12th August, 2006

Place : Ahmedabad
Date : 12th August, 2006

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2006

	SCHEDULE	(Amount in Rs.)	
		For the year ended on 31-03-2006	For the year ended on 31-03-2005
A. INCOME			
From Lease & Hire Purchase		77,531	30,193
Interest		-	78,512
Other Income	8	7,093,017	2,515,397
Total Rs.		<u>7,170,548</u>	<u>2,624,102</u>
B. EXPENDITURE			
Employment Cost	9	112,388	64,190
Operating & Administrative Expenses	10	1,278,934	742,941
Depreciation		53,569	53,569
		<u>1,444,891</u>	<u>860,700</u>
Profit / (Loss) before Provisions		5,725,657	1,763,402
Add : Excess Provision Written back		1,500	-
Provision for Diminuation in value of Investment now written-back		3,679,518	1,562,177
Less : Provision for NPA		-	-
Profit / (Loss) Before Tax		<u>9,406,675</u>	<u>3,325,579</u>
Less : Provision for FBT		2,000	-
Less : Provision for Taxation		525,000	250,000
Profit / (Loss) After Tax		<u>8,879,675</u>	<u>3,075,579</u>
Profit / (Loss) Brought Forward		(714,976)	(3,790,555)
Balance Carried to Balance Sheet		<u>8,164,699</u>	<u>(714,976)</u>
Notes forming part of accounts	11		

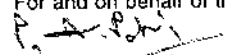
As per our report of even date attached herewith
For **Shah & Shah Associates**
Chartered Accountants

Nimish B. Shah
Partner

H. T. Mehta
Company Secretary

Place : Ahmedabad
Date : 12th August, 2006

For and on behalf of the Board


Pranay A. Patel Chairman

Naresh P. Rawal Director

Place : Ahmedabad
Date : 12th August, 2006

PRISM FINANCE LIMITED

SCHEDULES FORMING PART OF ACCOUNTS

Particulars	(Amount in Rs.)	
	As at 31-03-2006	As at 31-03-2005
SCHEDULE - 1 : SHARE CAPITAL		
AUTHORISED		
70,00,000 Equity Shares of Rs 10/- each	<u>70,00,000</u>	<u>70,00,000</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

UNSECURED LOANS :

From a Company	-	430,000
From Shareholders	<u>1,800,000</u>	<u>100,000</u>
Total Rs.	<u>1,800,000</u>	<u>530,000</u>

SCHEDULE - 3 : FIXED ASSETS

(Rupees)

Particulars	GROSS BLOCK (At Cost)				DEPRECIATION			NET BLOCK		
	As on 1/4/2005	Addition during the year	Sales/ Adjustment	As on 31/3/2006	As on 1/4/2005	For the year	Sales/ Adjust- ment	Upto 31-3-2006	As on 31-3-2006	As on 31-3-2005
(A) Other Assets										
Building	1839236	-	-	1839236	218109	29980	-	248089	1591147	1621127
Flat - Ambience	-	-	-	-	-	-	-	-	-	-
Furniture & Fixture	199367	-	-	199367	126511	12620	-	139131	60236	72856
Data Processing										
Equipment	740269	-	-	740269	703255	-	-	703255	37014	37014
Office Equipments	176237	-	-	176237	78331	8371	-	86702	89535	97906
Vehicle	27355	-	-	27355	14846	2599	-	17445	9910	12509
Sub Total (A)	<u>2982464</u>	-	-	<u>2982464</u>	<u>1141052</u>	<u>53569</u>	-	<u>1194621</u>	<u>1787843</u>	<u>1841412</u>
(B) CAPITAL										
ADVANCE	5000000	-	2700000	2300000	-	-	-	-	2300000	5000000
Sub Total (B)	<u>5000000</u>	-	<u>2700000</u>	<u>2300000</u>	-	-	-	-	<u>2300000</u>	<u>5000000</u>
Total (A + B)	<u>7982464</u>	-	<u>2700000</u>	<u>5282464</u>	<u>1141052</u>	<u>53569</u>	-	<u>1194621</u>	<u>4087843</u>	<u>6841412</u>
Previous Year	9582464	-	1600000	7982464	1165722	53569	78240	1141051	6841413	

(Rs. in Lacs)

Particulars	As at 31-03-2006		As at 31-03-2005	
	No. of Shares	Rupees	No. of Shares	Rupees
SCHEDULE - 4 : INVESTMENT				
(i) UNQUOTED				
In Fully paid Equity Shares				
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>
(II) (A) Quoted : (Trade)				
(i) In Fully paid Equity Shares				
Alexcon Extrusions Ltd.	200	3578	200	3578
Alps Infosys Ltd.	4500	180000	4500	180000
Amar Remedies	49500	2821713	-	-
Anusha International Ltd.	2700	27000	2700	27000
Atlas Copco	-	-	124	76952
Bajaj Tempo Ltd.	-	-	567	148349
Banco Products Ltd.	3000	170337	5193	199402
Bharat Electricals Ltd.	897	494650	897	494650
Bharat Forge Co. Ltd.	2555	224284	511	210288
Bharat Heavy Ele. Ltd.	831	571168	831	571168
Bil Power	10000	1131758	11000	352420
Birla Corp. Ltd.	-	-	2750	208554
Blue Information Ltd.	3000	303945	3000	303945
Cadila Healthcare	500	321540	-	-
Chemox Securities Ltd.	100	6519	100	6519
CMC Ltd.	-	-	325	190966
Cochin Minerals Ltd.	-	-	5828	120057
Conart Engineering Ltd.	-	-	5000	76750
Datapro Infotech Ltd.	1000	5412	1000	15412
Divis Lab Ltd.	134	191660	466	615580
Dr. Reddys Laboratories Ltd.	-	-	531	433926
Electra India Ltd.	200	5740	200	5740
Esab India Ltd.	-	-	1000	66325
Essar Shipping Ltd.	-	-	7000	182205
Eveready India Ltd.	2500	67603	4500	128002
Ferrow Alloys Ltd.	-	-	4000	49100
Gail India Ltd.	-	-	825	90799
Geometric Software Ltd.	7395	545559	1479	545559
Genmark Pharmaceuticals	-	-	1386	214483
Global Tele-system Ltd.	450	282192	450	282192
Gujarat Containers Ltd.	1000	19000	1000	19000
GSPL	20000	783726	-	-
Gujarat Alkalies & Chemicals Ltd.	3000	476670	-	-
Gujarat NRE Coke Ltd.	12500	1777805	-	-
Gujarat Siddhi Cement Ltd.	-	-	5000	35500
Hindustan Const. Co. Ltd.	11740	96643	2207	186326
Hind Industries Ltd.	-	-	1500	134100
I Flex Solution	552	527198	-	-
ICICI Bank Ltd.	951	350388	1954	716799
IDBI Ltd.	-	-	3762	412468
Infosys Tech	166	465290	-	-
Indian Hotels Co.	358	416099	-	-
India Polyfibers Ltd.	2000	86078	2000	86078
Indo Asian Fuse Gear	-	-	1000	19950
Ingersoll Rand Ltd.	-	-	850	209099

PRISM FINANCE LIMITED

Particulars	(Rs. in Lacs)			
	As at 31-03-2006		As at 31-03-2005	
	No. of Shares	Rupees	No. of Shares	Rupees
Integrated Rubian Exports Ltd.	6000	11700	6000	11700
Ispat Industries Ltd.	-	-	5000	81000
Jagran Prakashan Ltd.	5000	1464981	-	-
Jai Corporation Ltd.	-	-	200	20704
Jayanti Business Machines Ltd.	2018	70630	2018	70630
Jindal Iron & Steel Ltd.	-	-	1378	355040
Jindal Steel & Power Ltd.	-	-	314	188355
JMD Alloys Ltd.	9500	95000	9500	95000
Jupiter Bioscience Ltd.	-	-	4450	582190
Jyoti Structures Ltd.	-	-	1000	48854
Kay Pulp & Paper Ltd.	12500	82131	12500	82131
Kedia Infotech	19209	72112	-	-
Kerala Ayurveda Ltd.	2300	118198	2300	118198
Kirlosker Ferrow Alloys Ltd.	-	-	3500	63385
Kirloskar Oil Ltd.	4895	214848	979	214848
Krishna Plasto Chem Ltd.	35600	1148527	35600	1148527
Larsen & Toubro Ltd.	170	419297	-	-
Malvika Steels Ltd.	3600	25920	3600	25920
Mahavir Spinning	5000	1530016	-	-
McDowell & Co. Ltd.	1500	93667	2500	263456
Modi Alkalies & Chemicals Ltd.	150	3750	150	3750
MTNL	4768	729308	-	-
McLeod Russel Ltd.	2500	-	-	-
Octagon Technologies Ltd.	1000	39064	1000	39064
Paramount Communication	8000	501440	-	-
Polylink Polymer Ltd.	100	523	100	523
Rajasthan Spinning & Weaving Mills	2125	279714	-	-
Reliance Industries Ltd.	597	321557	-	-
Reliance Communication Ltd.	362	120604	-	-
Riga Sugar Ltd.	20000	1633162	-	-
Rico Auto Ltd.	2870	204537	-	-
Ruchi Soya Ltd.	3132	916782	-	-
Satelite Engineering Ltd.	24300	209296	24300	209296
Sesa Goa Ltd.	-	-	932	207372
Serene Industries Ltd.	10000	69535	10000	69535
Spell Semiconductors Ltd.	-	-	3000	31073
Srei Infrastructure Ltd.	15000	983899	-	-
Singh Alloys Ltd.	5000	73200	5000	73200
Shiv Vani Oil	5000	1028352	-	-
Softrak Technologies Ltd.	20000	15200	20000	15200
South Indian Bank Ltd.	-	-	1500	83820
Southern Petro Chem	10000	293871	-	-
Square-D Biotech Ltd.	4250	590646	4250	590646
Standard Surfactant Ltd.	1900	89078	1900	89078
Sterlite Opticals Ltd.	-	-	600	85358
Surana Tele	5000	161659	-	-
Synergy Log in Systems Ltd.	400	134225	400	134225
Tata Consultancy Services	-	-	429	426502
Tata Metallic Ltd.	-	-	5000	292727
Teesta Agro Industries Ltd.	2000	24500	2000	24500
Thermax Ltd.	2795	151578	559	151578
Timex Watches Ltd.	-	-	800	10320
Trident Alco-Chem Ltd.	8000	48659	17400	105811
Univ Foods Ltd.	21500	283710	21500	283710

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(Rs. in Lacs)

Particulars	As at 31-03-2006		As at 31-03-2005	
	No. of Shares	Rupees	No. of Shares	Rupees
Union Bank of India	3865	277986	3865	277986
Vadilal Dairy Industries Ltd.	6200	88015	6200	88015
Videocon Commu	1000	105830	-	-
Vintage Cards & Creations Ltd.	-	-	800	242520
Wyeth Lederle Ltd.	947	575539	-	-
Total (i)		27665999		14524988
(ii) In Fully paid Mutual Fund				
Fund Investment Plan Growth	-	-	8307.367	124046
Birla Cash Plus Plan Growth	-	-	6027.138	101393
Principal Cash Management	69725.766	945410.83		
Total (ii)		945410.83		225439
Total (i) + (ii)		28611410		14750427
Less : Provision for Diminuation in Value of Shares		-		3679518
Total (A)		28611410		11070909
(B) Unquoted :				
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)		50311910		32771409
Total (I) & (II)		50374520		32834019

Notes :

	As at 31-3-06 Rs. in lacs	As at 31-3-05 Rs. in lacs
(a) Aggregate Cost of Quoted Investments	286.11	147.50
(b) Aggregate Market Value of Quoted Investments	391.60	110.71
(c) Aggregate Cost of Unquoted Investments	217.63	217.63

DURING THE YEAR THE FOLLOWING SHARES WERE PURCHASED AND SOLD

Name of the Company	2005-2006		2004-2005	
	Face Value	Quantity	Face Value	Quantity
Purchase of Shares				
Ashok Layland	-	-	2	7250
Arvee Denims	10	10000	-	-
Aksh Optifiber Ltd.	10	2500	-	-
Allahabad Bank	10	5229	-	-
Amar Remedies	10	91000	-	-
Arvind Products	10	10000	-	-
Atlas Copco	-	-	10	224
Bharat Forge Co. Ltd.	-	-	10	25
Bharat Electronics Ltd.	-	-	10	897
Bharat Heavy Ele. Ltd.	-	-	10	831
Bharati Tele-Ventures Ltd.	-	-	-	-
Bil Power	10	10000	10	11000
Biocon Ltd.	-	-	10	304
Cadila Healthcare	10	500	-	-

PRISM FINANCE LIMITED

Name of the Company	2005-2006		2004-2005	
	Face Value	Quantity	Face Value	Quantity
Century Textile & Industries	10	894	-	-
CMC Ltd.	-	-	10	327
Compulink Systems Ltd.	10	12000	-	-
Crew Bos	10	10000	-	-
Datamatics Techno	-	-	10	802
Dishman Pharma	-	-	10	44
Divis Lab Ltd.	10	78	10	440
Dr. Reddys Laboratories Ltd.	-	-	10	386
E Serve International Ltd.	-	-	-	-
Electrolux Kelvinator Ltd.	-	-	10	6000
Emco Transport Ltd.	-	-	-	-
Esab India Ltd.	-	-	10	1000
Essar Shipping Ltd.	-	-	10	7000
Facor Alloys Ltd.	10	1600	-	-
Facor Steels Ltd.	10	800	-	-
FCS Software	10	9256	-	-
Futura Polyesters	10	10000	-	-
Geometric Software Ltd.	-	-	10	1419
Genmark Pharmaceuticals	-	-	10	1386
GSPL	10	20000	-	-
Gujarat Alkalies & Chem	10	3000	-	-
Gujarat NER Cocke	10	25000	-	-
Hindustan Const. Co. Ltd.	-	-	10	36
I Flex Solution Ltd.	10	552	-	-
IBP Co. Ltd.	-	-	10	245
ICICI Bank Ltd.	-	-	10	1954
IDBI Ltd.	-	-	10	3762
Indian Hotels Co.	10	358	-	-
Indo Asian Fuse Gear	-	-	10	2500
Indusind Bank Ltd.	-	-	10	2000
Infosys Techno	-	-	10	100
Infosys Technologies Ltd.	10	166	-	-
IPCL	-	-	10	196
Jagran Prakashan Ltd.	10	5000	-	-
Jindal Iron & Steel Ltd.	-	-	10	1746
Jindal Steel & Power Ltd.	-	-	10	314
JSW Steel Ltd.	10	675	-	-
Jupiter Bioscience Ltd.	-	-	10	4000
Kedia Infotech Ltd.	10	100000	-	-
Kirloskar Oil Ltd.	-	-	10	167
Larsen & Toubro	10	170	-	-
Mahavir Spinning	10	5000	-	-
McLeod Russel Ind.	5	4500	-	-
Moser Baer India Ltd.	-	-	10	371
MTNL	10	4768	-	-
NTPC Ltd.	-	-	10	616
Oil & Natural Gas Co. Ltd.	-	-	10	817
Paramount Communication	10	10000	-	-
Punjab National Bank Ltd.	-	-	10	2073
Rajasthan Spinning Mills	10	2125	-	-
Reliance Capital	10	261	-	-
Reliance Capital Ventures	10	693	-	-
Reliance Communication	5	693	-	-
Reliance Energy Ven	10	693	-	-
Reliance Ind.	10	1666	-	-

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Name of the Company	2005-2006		2004-2005	
	Face Value	Quantity	Face Value	Quantity
Reliance Natural Resources	5	693	-	-
Rico Auto Ind.	10	2870	-	-
Riga Sugar	10	20000	-	-
Ruchi Soya	10	3132	-	-
Samkrp Pistons Ltd.	-	-	10	1495
Sesa Goa Ltd.	-	-	10	855
Shanti Gears Ltd.	-	-	10	5000
Shiv Vani Oil	10	5000	-	-
South Indian Bank Ltd.	-	-	10	500
Southern Petrochemicals	10	10000	-	-
Spel Semiconductors Ltd.	-	-	10	5500
Srei Infrastructure	10	15000	-	-
Surana Tele	2	5000	-	-
Tata Consultancy Services	-	-	10	429
Union Bank of India	-	-	10	4283
Usha Martin Ltd.	10	559	-	-
UTI Bank Ltd.	-	-	10	224
Videocon Communication	10	1000	-	-
Vijaya Bank Ltd.	-	-	10	3188
Wyeth Lederle Ltd.	10	947	-	-
Sale of Shares				
Century Textiles	10	894	-	-
Arvee Denims	10	10000	-	-
Aksh Optifiber	10	2500	-	-
Allahabad Bank	10	5229	-	-
Amar Remedies	10	41500	-	-
Arvind Mills Ltd.	-	-	10	3000
Arvind Products	10	10000	-	-
Ashok Leyland	-	-	2	10735
Atlas Copco	10	124	10	1000
Aurobindo Pharma Ltd.	-	-	-	-
Bharat Forge Co. Ltd.	-	-	-	-
Bajaj Tempo	10	567	-	-
Divis Lab Ltd.	10	410	-	-
Bairampur Chini Mills Ltd.	-	-	10	750
Banco Products Ltd.	10	2193	-	-
Bank of Baroda Ltd.	-	-	10	279
Bank of Punjab	-	-	10	3000
Bharat Forge Warent	-	-	10	13
Bharat Heavy Elect. Ltd.	-	-	10	473
Bharti Tele-Ventures Ltd.	-	-	10	1800
Bilpower	10	11000	-	-
Biocon Ltd.	-	-	10	304
Birla Corp	10	2750	10	1750
Canfin Homes Ltd.	-	-	10	1880
CMC Ltd.	10	525	10	2
Cochin Minerals	10	5828	-	-
Compucom SOF	-	-	10	100
Compulink Systems Ltd.	10	12000	-	-
Conart Engineer	10	5000	-	-
Crew Bos	10	10000	-	-
Detamatics Techno	-	-	10	802
Dishman Pharma	-	-	10	44
Dr. Reddys	10	531	-	-
E Serve International	-	-	10	2

PRISM FINANCE LIMITED

Name of the Company	2005-2006		2004-2005	
	Face Value	Quantity	Face Value	Quantity
Electro Kelvin	-	-	10	48667
Esab India Ltd.	10	1000	-	-
Essar Shipping	10	7000	-	-
Eveready Ind	10	2000	10	2000
Factor Alloys Ltd.	10	1600	-	-
Factor Steels Ltd.	10	800	-	-
FCS Software	10	9256	-	-
Ferrow Alloys	10	1600	-	-
Future Polyesters	10	10000	-	-
Gail Ltd.	10	825	-	-
Genmark Pharmaceuticals	10	1386	-	-
Grasim Ltd.	-	-	10	102
Gujarat Ambuja Cement	-	-	10	751
Gujarat NRE Coke	10	12500	-	-
Gujarat Siddhi Cement Ltd.	10	5000	-	-
Helious & MA	-	-	10	5000
Hero Honda Motors Ltd.	-	-	10	400
Hind Industries	10	1500	10	60
Hindustan Const. Co. Ltd.	10	826	-	-
Hindustan Const. Co. Ltd.	10	207	10	1631
IBP Co. Ltd.	-	-	-	-
ICICI Bank	10	1003	10	615
IDBI Bank	10	3762	-	-
Indian Oil Corporation Ltd.	-	-	-	-
Indo Asian Fuse Gear	10	1000	10	627
Indo Gulf Fertilizer	-	-	10	1500
Indusind Bank Ltd.	-	-	10	1375
Infosys Techno	-	-	10	2000
Ingersoll Rand	10	850	10	232
IPCL	-	-	-	-
Ispat Industries	10	5000	10	196
Jai Corporation	10	200	10	10000
Jindal Iron & Steel	10	1378	-	-
Jindal Southwest Holdings	10	344	10	368
Jindal Steel & Power	10	314	-	-
JSW Steel Ltd.	10	675	-	-
Jupiter Bioscience	10	4450	-	-
Jyoti Structure	10	1000	-	-
Kedia Infotech	10	80791	-	-
Kirlosker Ferrow	10	3500	-	-
Mcdowell	10	1000	-	-
Mcleod Russel	10	2000	-	-
Moser Bear India Ltd.	-	-	-	-
NTPC Ltd.	-	-	10	1587
Oil & Natural Gas Co. Ltd.	-	-	10	616
Paramo Communication	-	-	10	817
Power Trading Corporation	10	2000	-	-
Punjab National Bank Ltd.	-	-	10	243
Radico Khaitan	-	-	10	2073
Raipur Alloys Ltd.	-	-	10	1000
Ranbaxy Laboratories	-	-	10	1000
Rel. Capital	10	261	10	325
Rel. Industries	10	1069	10	300
Rel. Natural Reso.	10	693	10	325
Rel. Capital Ven	10	693	-	-

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Name of the Company	2005-2006		2004-2005	
	Face Value	Quantity	Face Value	Quantity
Rel. Communication Ven	10	331	-	-
Rel. Energy Ven	10	693	-	-
Samkrp Pistons Ltd.	-	-	10	1495
Sesa Goa Ltd.	10	932	10	572
Shanti Gears Ltd.	-	-	10	5000
Shashun Chemical	-	-	10	8
South Indian Bank	10	1500	-	-
Spel Semiconductors Ltd.	10	3000	10	2500
State Bank of India	-	-	10	455
Sterlite Optical	10	600	-	-
Stride Acrolab Ltd.	-	-	10	87
Tata Consultancy	10	429	-	-
Tata Metalic	10	5000	-	-
Timex Watch	10	800	-	-
Trident Alco	10	9400	10	1100
TVS Motor Co. Ltd.	-	-	10	273
Union Bank of India	-	-	10	418
Usha Martin	10	559	-	-
UTI Bank Ltd.	-	-	10	224
Vijaya Bank Ltd.	-	-	10	6180
Vintage Card	10	800	-	-
Purchase of Mutual Fund				
Birla Cash Plus Retail Growth				
Birla Dividend Yield Plus Growth				
IDBI Liquid Fund Growth	-	-	10	100000
Grindlays Super Saver Income Fund Short Term Plant Growth				
Grindlays Super Save Income Fund Plan Growth				
Principal Cash Magnum	10	69725.766	-	-
Liquid Fund Growth	-	-	10	6230000
Sale of Mutual Fund				
IDBI Liquid Fund Growth	10	100000	10	100000
Liquid Fund Growth	10	6949000	10	6949000

PRISM FINANCE LIMITED

(Amount in Rs.)

Particulars	As at 31-03-2006	As at 31-03-2005
SCHEDULE - 5 : CURRENT ASSETS, LOANS & ADVANCES		
(a) CURRENT ASSETS :		
i. Stock on Hire	379,220	-
ii. Debtors (Unsecured, Considered good)		
Outstanding for a period exceeding six months	847,687	701,489
Others	270,117	535,839
	<u>1,117,804</u>	<u>1,237,328</u>
Less : Provision for NPA	445,024	445,024
	<u>672,780</u>	<u>792,304</u>
iii. Cash & Bank Balance		
Cash on hand	407,197	501,175
Balance with Banks :		
- In Current Accounts	389,045	413,565
	<u>796,242</u>	<u>914,740</u>
(b) LOANS & ADVANCES (Unsecured, considered good)		
i. Loan Given (including Inter Corporate Deposits & Interest receivable thereon)	19,891,725	23,189,147
ii. Advances recoverable in cash or kind or for value to be received	154,453	259,665
	<u>20,046,178</u>	<u>23,448,812</u>
	<u>21,894,420</u>	<u>25,155,856</u>
SCHEDULE - 6 : CURRENT LIABILITIES		
CURRENT LIABILITIES :		
Sundry Creditors	1,035,205	78,850
Security Deposit	69,000	69,000
Provision for Taxation (Net)	284,879	46,753
Total Rs.	<u>1,389,084</u>	<u>194,603</u>
SCHEDULE - 7 : MISCELLANEOUS EXPENDITURE		
(To the extent not written - off or adjusted)		
Public Issue Expenses	-	181,339
Total Rs.	-	<u>181,339</u>
	<u>2005-06</u>	<u>2004-05</u>
SCHEDULE - 8 : OTHER INCOME		
Dividend Income	299,453	218,343
Profit on Sale of Shares / Mutual Fund	6,385,446	1,911,186
Rent Income	198,938	215,750
Car Charges	202,500	60,000
Profit on Sale of Assets	-	78,240
Brokerage Commission	6,680	11,879
	<u>7,093,017</u>	<u>2,515,398</u>
SCHEDULE - 9 : EMPLOYMENT COST		
Salary & Wages	93,828	54,816
Medical Expenses	13,120	8,373
Books & Periodical	5,440	1,001
	<u>112,388</u>	<u>64,190</u>

Particulars	(Amount in Rs.)	
	As at 31-03-2006	As at 31-03-2005
SCHEDULE - 10 : OPERATING & OTHER EXPENSES		
Insurance Expenses	17,755	3,306
Electricity Expenses	16,563	26,210
Telephone & Fax Expenses	25,671	31,801
Office Expenses	7,000	2,000
Legal & Professional Expenses	40,552	15,800
Repairs & Maintenance	86,653	29,856
Filing Fees	26,000	-
Listing Fees	35,000	35,000
Municipal Tax	36,601	25,472
Vehicle Expenses	965	680
Interest Expenses	14,031	-
Portfolio Management Fees	284,137	190,813
General Expenses	99,308	42,023
Loss on Trading of Shares (Net)	407,359	132,084
Loss on sale of Investment	-	14,029
Preliminary Expenses Written off	-	12,532
Public Issue Expenses Written off	181,339	181,335
	1,278,934	742,941

SCHEDULE - 12 : 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.
2. During the year under review the Company has additionally provided for permanent diminution in the value of investment amounting to Rs. 3,679,518/- (Previous Year Rs. 1,562,177/-)
 3. Capital advance represents advances given for purchase of land & building for which possession letter have been obtained. As necessary documents are yet to be executed. The same have been shown as advance.

PRISM FINANCE LIMITED

4. The Company has during the year 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 assets as 31st March, 2006. Deferred tax assets arising mainly on account of unabsorbed depreciation and carried forward losses have not been considered for recognition as there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Therefore net deferred tax asset has not been recognised in the account of the company.
5. In view of Accounting Standard AS-18 "Related Party Disclosure" issued by the Institute of Chartered Accountants 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, 2006 are given below :

A. Relationship

1. Subsidiaries
Opel Securities Pvt. Ltd.
2. Associates of the Company

a) Akshar Construction	b) Akshar Developer
c) Akshar Estate Pvt. Ltd.	d) Mas Chemical Industries Pvt. Ltd.
e) Som Shiva (Impex) Ltd.	f) Spectratek Industries
g) Samurai Holding Pvt. Ltd.	
3. Key Management Personals/Relatives

a) Shri Pranay A. Patel - Director	b) Shri Prashun P. Amin - Director
c) Shri Naresh P. Raval - Director	d) Shri Rahul A. Patel
e) Shri Arunprasad P. 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	Directors
1. Loan Recovered	-	1643000	-	-
2. Loan Given	-	960000	-	-
3. Loan Taken	-	-	-	3650000
4. Loan Repaid	-	-	300000	1800000
5. Bill Discounting Given	-	-	183170	-
6. Bill Discounting Recovered	-	-	-	-
7. Income on Discounting Charges	-	-	77531	-
8. Rent Income	-	-	24000	-
Amount outstanding as on 31-03-06				
1. Outstanding receivables	5455000	-	-	-
2. Outstanding Loans/Advances	-	4183199	-	-
3. Outstanding Loan Payable	-	-	100000	1800000

6. Contingent Liability : NIL

7. The legal and Professional charges includes payment to auditors as under :

	<u>2005-2006</u>	<u>2004-2005</u>
Audit Fees	10000	10000
Other Services	5000	5000

8. There is no current indebtedness to small scale industrial undertaking, therefore the question of disclosure of information relating to such undertakings as require under Schedule-VI part of the Companies Act, 1956 does not arise.

9. There are no other particulars required to be given under part II of Schedule VI of the Companies Act, 1956.

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

Nimish B. Shah
Partner

H. T. Mehta
Company Secretary

For and on behalf of the Board

Pranay A. Patel *Chairman*

Naresh P. Rawal *Whole-time Director*

Place : Ahmedabad
Date : 12th August, 2006

Place : Ahmedabad
Date : 12th August, 2006

10. 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**

Registration No.	21915	State Code	04
Balance Sheet Date	31 st March, 2006		

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	749.68	Total Assets	749.68
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Source of Funds

Paid-up Capital	650.03	Reserve & Surplus	81.65
Secured Loans	NIL	Unsecured Loans	18.00

Application of Funds

Net Fixed Assets	40.88	Investments	503.75
Net Current Assets	205.05	Misc. Expenditure	NIL

4. Performance of Company (Rs. in Lacs)

Turnover	108.51	Total Expenditure	14.44
Profit Before Tax	94.07	Profit After Tax	88.80
Earning per Share (Rs.)	1.37	Dividend Rate (%)	N.A.

5. Generic Name of Principal Product of Company

Products Description : Investment

Signature to Schedules 1 to 11 and
Balance Sheet Abstract and General Business Profile.

Refer to notes on account as per our Audit Report attached.

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

Nimish B. Shah
Partner

H. T. Mehta
Company Secretary

Place : Ahmedabad
Date : 12th August, 2006

For and on behalf of the Board

 **Pranay A. Patel** *Chairman*

Naresh P. Rawal *Director*

Place : Ahmedabad
Date : 12th August, 2006

PRISM FINANCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2006

	(Amount in Rs.)	
	2005-2006	2004-2005
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extra-ordinary Items	9,406,675	3,325,279
Adjustments for :-		
- Provision for Non-Performing Assets	-	-
- Provision for Diminuation of Investment	(3,679,518)	(1,562,177)
- Depreciation	53,569	53,569
- Interest	-	-
- Preliminary Expenses written off	-	12,532
- Public Issue Exp. W/off	181,339	181,335
- (Profit)/Loss on Sale of Shares	(6,385,446)	(1,911,186)
- (Profit)/Loss on Sale of Assets	-	(78,240)
	(9,830,056)	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(423,381)	21,412
Adjustment for :-		
- Stock on Hire	(379,220)	83,855
- Debtors	119,534	137,881
- Loans & Advances	3,640,759	(9,348,723)
- Current Liabilities & Provisions	956,355	(166,997)
	4,337,428	(9,271,572)
CASH GENERATED FROM OPERATIONS	3,914,047	(196,447)
- Interest Paid	-	-
- Direct Tax Paid	527,000	-
	527,000	-
NET CASH FROM OPERATING ACTIVITIES (A)	3,387,047	(196,447)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase/sale of Fixed Assets (Net)	2,700,000	1,600,000
Advances for Capital Goods	-	-
Purchase/Sale of Investments (Net)	(13,860,990)	(1,969,459)
(Loss) / Profit on Sale of Shares	6,385,446	1,911,186
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B)	(4,775,044)	1,542,726
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Share Capital		8,988,500
Application Money Received		-
Unsecured Loans	1,270,000	(795,000)
Increase in Bank Borrowing	-	(156.91)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	1,270,000	8,193,500
NET DECREASE IN CASH & CASH EQUIVALENTS (A+B+C)	(118,497)	463,654
Cash & Cash equivalents as at 1 st April, 2005	914,740	551,086
Cash & Cash equivalents as at 31 st March, 2006	796,243	914,740

For and on behalf of the Board

Place : Ahmedabad
Date : 12th August, 2006

H. T. Mehta
Company Secretary

Pranay A. Patel Chairman

Naresh P. Rawal Director

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of PRISM FINANCE LIMITED for the year ended 31st March 2006. The statement has been prepared by the company in accordance with the requirements of listing agreement Clause 32 with Stock Exchange and is based on and in agreement with corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date of the members of the Company.

For Shah & Shah Associates
Chartered Accountants
Nimish B. Shah
Partner

Date : 12th August, 2006
Place : Ahmedabad

OPEL SECURITIES PRIVATE LIMITED

ANNUAL REPORT 2005-06

BOARD OF DIRECTORS	:	Mr. Amit D. Patel Mr. Rahul A. Patel
REGISTERED OFFICE	:	"Mangalam" B/h. Apang Manav Mandal, Dr. V. S. Road, Ahmedabad - 380 015.
ADMINISTRATIVE OFFICE	:	S/2, Navrang Building, Swastik Char Rasta, Navrangpura, Ahmedabad - 380 009.
AUDITORS	:	M/s. Shah & Shah Associates, Chartered Accountants, 501, "Aniket", Nr. Municipal Market, C. G. Road, Ahmedabad - 380 009.
BANKERS	:	Vijya Bank

OPEL SECURITIES PRIVATE LIMITED

NOTICE

NOTICE is hereby given that the **ELEVENTH ANNUAL GENERAL MEETING** of the members of the company will be held on Friday, the 11th August, 2006 at 6.30 P.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 :

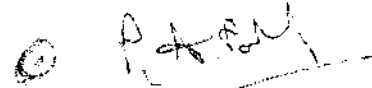
ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2006 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 Amit D. 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 and to fix their remuneration.

Registered Office:

"Mangalam"
B/h. Apang Manav Mandal,
Dr. V. S. Road,
Ahmedabad-380 015.
Date : 6th July, 2006.

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.

DIRECTORS' REPORT

To,
The Members,

Your Directors hereby present the ELEVENTH ANNUAL REPORT together with the Audited Statement of Accounts for the year ended 31st March, 2006.

FINANCIAL RESULTS:

During the year the Company has earned gross income from dividend to the tune of Rs. 10.88 Lacs and after charging all the expenses there comes a profit of Rs. 10.56 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, 2006, 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 were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit 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, 2006 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 2006-2007.

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 : 6th July, 2006

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 31st March, 2006 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 statements based on our audit.

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.

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 31st March, 2006 and taken on record by the Board of Directors, we report that none of the Directors of the company is disqualified as on 31st March, 2006 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 7, 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 31st March, 2006; and
 - (b) In the case of Profit & Loss Account, of the Profit for the year ended on that date.

As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies' (Auditor's Report) (Amendment) Order 2004, 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 :

1. 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 is Rs. 161.55 lacs. 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 three companies listed in the register maintained under Section 301 of the Companies Act, 1956 and the maximum amount involved is Rs. 82.10 lacs. 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 obtained.

2. 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.

3. 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.
4. As explained to us, the Company has not accepted any deposits from the public.
5. 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.
6. Based on our audit procedure and according to information and explanation provided to us, the company is regular in depositing undisputed statutory dues with the appropriate authority. According to the information and explanation provided to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2006 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.
7. The Company has accumulated losses and has not incurred any cash loss during the financial year covered by our audit or in the immediately financial year.
8. 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.
9. The company has maintained proper records for the purchase of shares 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.
10. 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.
11. 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.
12. 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.
13. Other clauses of the said order are not applicable to the company.

For Shah & Shah Associates
Chartered Accountants

Place : Ahmedabad .
Dated : 6th July, 2006

(Nimish B. Shah)
Partner
Membership No. 30102

OPEL SECURITIES PRIVATE LIMITED**BALANCE SHEET AS AT 31ST MARCH, 2006**

	SCHEDULE	(Amount in Rs.)	
		As at 31-3-2006	As at 31-3-2005
SOURCES OF FUNDS :			
Share Capital	1	17,502,000	15,002,000
Share Application (Pending Allotment)		675,000	10,675,000
Reserve & Surplus	2	11,088,911	2,532,859
Unsecured Loans	3	7,310,000	7,310,000
Total		<u>36,575,911</u>	<u>35,519,859</u>
 APPLICATION OF FUNDS :			
Investments	4	19,328,026	19,328,026
Current Assets, Loans & Advances	5	17,256,150	16,200,098
Less : Current Liabilities & Provisions	6	8,265	8,265
Net Current Assets		<u>17,247,885</u>	<u>16,191,833</u>
Total		<u>36,575,911</u>	<u>35,519,859</u>
Notes on Accounts	7		

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

Nimish B. Shah
Partner

Place : Ahmedabad
Date : 6th July, 2006

For and on behalf of the Board

Amit D. Patel *Director*

Rahul A. Patel *Director*

Place : Ahmedabad
Date : 6th July, 2006

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2006

Particulars	(Amount in Rs.)	
	Year ended on 31-03-2006	Year ended on 31-03-2005
INCOME		
Dividend Income	1,088,400	816,300
Total	<u>1,088,400</u>	<u>816,300</u>
EXPENDITURE		
Legal & Professional Charges	29,765	14,945
General Charges	2,583	4,324
Total	<u>32,348</u>	<u>19,269</u>
Profit before Tax	1,056,052	797,031
Provision for Taxation	-	-
Profit After Tax	<u>1,056,052</u>	<u>797,031</u>
Balance Brought Forward from Previous Year	<u>2,532,859</u>	<u>1,735,828</u>
Balance transferred to Balance Sheet	<u>3,588,911</u>	<u>2,532,859</u>

Notes on accounts - Schedule - 7

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

Nimish B. Shah
Partner

Place : Ahmedabad
Date : 6th July, 2006

For and on behalf of the Board

Amit D. Patel Director

Rahul A. Patel Director

Place : Ahmedabad
Date : 6th July, 2006

OPEL SECURITIES PRIVATE LIMITED**SCHEDULES FORMING PART OF THE ACCOUNTS**

Particulars	(Amount in Rs.)	
	As at 31-03-2006	As at 31-03-2005
SCHEDULE - 1 : SHARE CAPITAL		
AUTHORISED		
20,00,000 Equity Shares of Rs 10/- each	20,000,000	20,000,000
Total	<u>20,000,000</u>	<u>20,000,000</u>
ISSUED, SUBSCRIBED & PAID UP :		
17,50,200 Equity Shares (P.Y. 15,00,200) of Rs. 10/- each fully paid up (Out of above 11,50,000 Shares are held by holding Company Prism Finance Ltd.)	17,502,000	15,002,000
Total	<u>17,502,000</u>	<u>15,002,000</u>
SCHEDULE - 2 : RESERVES & SURPLUS		
Share Premium	7,500,000	-
Profit & Loss Account		
Balance as per annexed Account	3,588,911	2,532,859
Total	<u>10,088,911</u>	<u>2,532,859</u>
SCHEDULE - 3 : UNSECURED LOANS		
From Companies	7,310,000	7,310,000
Total	<u>7,310,000</u>	<u>7,310,000</u>
SCHEDULE - 4 : LONG TERM INVESTMENTS		
(1) QUOTED (AT COST)		
13,60,500 Equity Shares of Sintex Industries Ltd. of Rs. 2/- each fully paid up (Previous Year 2,72,100 Shares of Rs. 10/- each) (See Notes)	17,686,500	17,686,500
(2) UNQUOTED		
58,605 Share Warrants of Sintex Industries Ltd. of Rs. 28.01 each partly paid up	1,641,526	1,641,526
Total	<u>19,328,026</u>	<u>19,328,026</u>
Aggregate Value of Quoted Investments		
At Cost Price	17,686,500	17,686,500
At market price	312,915,000	113,737,800
SCHEDULE - 5 : CURRENT ASSETS, LOANS & ADVANCES		
(a) CURRENT ASSETS :		
Cash and Bank Balances		
Cash on hand	1,000	1,000
Balance with a Schedule Bank in Current Account	1,500,150	44,098
Total (a)	<u>1,501,150</u>	<u>45,098</u>
(b) LOANS & ADVANCES (Unsecured, considered good)		
Intercompany Deposit	15,755,000	16,155,000
Total (b)	<u>15,755,000</u>	<u>16,155,000</u>
Total (a+b)	<u>17,256,150</u>	<u>16,200,098</u>

(Amount in Rs.)

Particulars	As at 31-03-2006	As at 31-03-2005
SCHEDULE - 6 : CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES :		
Unpaid Expenses	8,265	8,265
Total	<u>8,265</u>	<u>8,265</u>

Schedule Forming Part of Accounts.

SCHEDULE - 7 : 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.
- Balances under the head of Unsecured Loans and Loans & Advances given are subject to confirmation.
 - Legal & Professional Charges includes payment to auditors.

	2005-2006	2004-2005
a) For Audit Fees	7,500	7,500
b) For Taxation Matters	6,080	6,080
c) Out of Pocket Expenses	420	600
d) Service Tax	765	765
e) Others	15000	---
	<u>29,766</u>	<u>14,945</u>

4. AS-18 Related Party Disclosures

A. Name of related party and nature of relationship :

SN.	Name related party	relationship
1.	Prism Finace Ltd.	Holding Co.
2.	Star Line Leasing Ltd.	Associates
3.	Bar Magnet Investment Pvt. Ltd.	Associates
4.	Som Shiva Impex Ltd.	Associates
5.	Mas Chemical Ind. P. Ltd.	Associates
6.	BVM Finance Ltd.	Associates

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	5,455,000
2.	BVM Finance Ltd.	Associates	Deposit Taken	1,600,000
3.	Bar Magnet Investment Pvt. Ltd.	Associates	Deposit Given	2,050,000
4.	Som Shiva Impex Ltd.	Associates	Deposit Given	250,000
5.	Mas Chemical Ind. P. Ltd.	Associates	Deposit Given	13,455,000

- There are no creditors in respect of Small Scale Industrial as at the end of the year.
- The figures of the previous year have been regrouped / rearranged wherever necessary to make them comparable with the figures of the current year.
- 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.
- The face value of equity shares of Sintex Industry Ltd. have been changed from Rs. 10/- per share to Rs. 2/- per share. On account of this the figure of investment in shares have changed.
- There are no other particulars required to be shown as per requirements of part II of Schedule VI of the Companies Act, 1956.

OPEL SECURITIES PRIVATE LIMITED

11. ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV TO THE COMPANIES ACT,1956.

Balance Sheet Abstract and Company's General Business Profile

1. Registration Details

Registration No.	28055	State Code	04
Balance Sheet Date	31 st March, 2006		

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

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	2500

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

Total Liabilities	36576	Total Assets	36576
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Source of Funds

Paid-up Capital	17502	Share Application Money	675
Reserve and Surplus	11089		
Secured Loans	NIL	Unsecured Loans	7310

Application of Funds

Net Fixed Assets	NIL	Investments	19328
Net Current Assets	17248	Misc. Expenditure	NIL
Accumulated Losses	NIL		

4. Performance of Company (Rs. in Thousand)

Turnover	1088	Total Expenditure	32
Profit/Loss Before Tax	1056	Profit/Loss After Tax	1056
Earning per Share in Rs.	0.70	Dividend Rate (%)	N.A.

5. Generic Name of Principal Product of Company

Item Code No. : N.A.

Products Description : N.A.

Signature to Schedules 1 to 11

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

Nimish B. Shah
Partner

Place : Ahmedabad
Date : 6th July, 2006

For and on behalf of the Board

Amit D. Patel *Director*

Rahul A. Patel *Director*

Place : Ahmedabad
Date : 6th July, 2006

PRISM FINANCE LIMITED

Regd. Office : 1-2, 2nd Floor, Fountain Place Complex, Nr. Mithakhali Six Roads,
Navrangpura, Ahmedabad - 380 009.

ATTENDANCE SLIP

12th Annual General Meeting

Friday, the 29th September, 2006 at 11.00 a.m.

Place : 1-2, 2nd Floor, Fountain Place Complex,
Nr. Mithakhali Six Roads,
Navrangpura, Ahmedabad - 380 009.

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 : 1-2, 2nd Floor, Fountain Place Complex, Nr. Mithakhali Six Roads,
Navrangpura, Ahmedabad - 380 009.

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 12th Annual General Meeting of the Company, to be held on Friday, the 29th September, 2006 and at any adjournment thereof.

Signed the _____ day of _____ 2006.

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.