

PARTH INDUSTRIES LIMITED

**AUDITED ANNUAL REPORT
FOR THE YEAR 2009-10**

**REGD. OFFICE :-
S-19, VIKRAM CHAMBERS, NEAR SALES INDIA,
ASHRAM ROAD, AHMEDABAD-380009.**

PARTH INDUSTRIES LIMITED

BOARD OF DIRECTORS :

DEEPAK NARAYANBHAI PATEL	DIRECTOR
MITUL NARAYANBHAI PATEL	DIRECTOR
SANJAY MAHENDRA VYAS	DIRECTOR
MINESHBHAI NARENDRABHAI SHETH	DIRECTOR

AUDITORS :

M/S. R. B. GOHIL & CO.,
CHARTERED ACCOUNTANTS,
K. P. HOUSE -1, 1ST FLOOR, K.V. ROAD,
BEDI GATE, JAMNAGAR-361 001

REGISTERED OFFICE :

S/19, VIKRAM CHAMBERS,
NR. SALES INDIA, ASHRAM ROAD,
AHMEDABAD-380009.

ANNUAL GENERAL MEETING - PROGRAMME

DATE : 30TH SEPTEMBER, 2010
DAY : WEDNESDAY
TIME : 12-30 P.M.
VENUE : REGISTERED OFFICE OF THE COMPANY AT :
S/19, VIKRAM CHAMBERS, NR. SALES INDIA,
ASHRAM ROAD, AHMEDABAD-380009.

NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of the members of PARTH INDUSTRIES LIMITED will be held on 30/09/2010 at 12:30 p.m. at S/19, Vikram Chambers, Nr. Sales India, Ashram Road, Ahmedabad-380009 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended on 31st March, 2010, balance sheet as on that date, Director's Report and the Auditor's report thereon.
2. To appoint Director in place of Mr. Sanjay Vyas who retires by rotation and being eligible offers himself for reappointment.
3. To appoint the Auditors of the Company from the Conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

FOR AND ON BEHALF OF THE COMPANY

Place : Ahmedabad
Date : 01/04/2010

SANJAY VYAS
DIRECTOR

DEEPAK PATEL
DIRECTOR

NOTES :

- a) A member entitled to attend and vote is entitled to appoint a proxy to attend vote instead of himself and the Proxy need not to be a member. The instrument appointing a proxy must be deposited at the registered office of the Company not later than 48 hours before the time fixed for holding the meeting.
- b) The Register of the members and the share transfer book of the Company will remain closed from 23rd September, 2010 to 30th September, 2010 (both days inclusive)

FOR AND ON BEHALF OF THE COMPANY

Place : Ahmedabad
Date : 01/04/2010

SANJAY VYAS
DIRECTOR

DEEPAK PATEL
DIRECTOR

DIRECTORS' REPORT

To,
The Members
PARTH INDUSTRIES LIMITED

The Directors' present the Annual report on the business and operations of your Company for the year 2009-2010.

FINANCIAL RESULTS AND OPERATIONAL REVIEW:

Particulars	Year Ended 31.03.2009 (Rs.)	Year Ended 1.03.2010 (Rs.)
Gross Sales/Income	NIL	NIL
Less Depreciation	29,739	53,449
Profit/(Loss) before Tax	(29,739)	(53,449)
Taxes/Deferred Taxes	NIL	NIL
Profit/(Loss) After Taxes	(29,739)	(53,449)
P & L Balance b/f	(22,93,020)	(22,39,571)
Profit/ (Loss) carried to Balance Sheet	(23,22,759)	(22,93,020)

PARTICULARS OF EMPLOYEES:

There is no employee having remuneration with the provisions of section 217(2A) of the companies Act 1956 read with the companies (Particulars of employee) Rules, 1975 as amended.

DIRECTORS:

Mr. Sanjay Vyas, Director of the Company are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

DIVIDEND:

In view of losses, your Directors do not recommend any dividend during the year.

DEPOSITS:

The Company has not accepted any deposit from the public during the year.

RESPONSIBILITY STATEMENT:

As required u/s 217(2AA) of the Companies Act, 1956 your Director confirms that in the preparation of the annual accounts:

The applicable accounting standards have been followed along with proper explanation relating to material departures.

Such accounting policies have been selected and applied consistently and reasonable and prudent judgments and estimates made, so as to give a true and fair view of the state of affairs of the company at the end of the financial Year and the profit/loss of the company for that period.

Proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

The annual accounts have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

As required under rule 3 of the companies (Disclosure of Particulars in the report of Board of Directors) Rules 1998, the particulars relating to the conservation of energy, Technology absorption, and the foreign exchange earnings and outgo are also Nil as no trading has been done during the year under review.

APPOINTMENT OF AUDITORS:

M/S. P. DALAL & COMPANY, Chartered Accountants, Ahmedabad, the retiring auditors being eligible offer themselves for re-appointment. Members are requested to appoint them as auditors of the company.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management discussion and analysis Report, pursuant to Clause 49 of the Stock Exchange Listing agreement, forms part of this Report and the same is annexed hereto.

REPORT ON CORPORATE GOVERNANCE:

A separate Report on Corporate Governance along with Certificate from Auditors on its compliance as annexed hereto.

SEGMENT:

Your Company is engaged in a single segment only.

ACKNOWLEDGEMENT:

The management is grateful to the government authorities, Bankers, Vendors for their continued assistance and co-operation. The directors also wish to place on record the confidence of members in the company.

FOR AND ON BEHALF OF THE COMPANY

Place : Ahmedabad
Date : 01/04/2010

SANJAY VYAS
DIRECTOR

DEEPAK PATEL
DIRECTOR

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

1. Company's philosophy:

Corporate Governance is an integral part of value, ethics and best business practices followed by the Company. The core values of the Company are commitment to excellence and customer satisfaction, maximizing long-term value for stakeholders, socially valued enterprise and caring for people and environment.

PARTH INDUSTRIES LIMITED is committed to good Corporate Governance in order to all stakeholders – Customers, suppliers, lenders, employees, the shareholders. The detailed report on implementation by the company of the Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Stock Exchanges, is set out below :

2. Board of Directors :**2.1 Composition of the Board :**

The Board of Directors as at 31st March, 2010 comprises of four directors comprises of a two are Executive and two non-executive director. Mr. Snajay Vyas, Active Director of the Company and he conducts the day to day management of the Company, subject to the supervision and control of the Board of Directors. The independent directors on the Board are senior, competent and highly respected persons from their receptive fields:

2.2 Responsibilities of the Board

The responsibility such as policy formulation, performance review and analysis and control, direction and management of the affairs of the company is vested in the Board of Directors presided over by the Chairman and Managing Director. The Board has delegated some of its powers to the executives of the company. The Board reviews from time to time such delegated powers and their utilization for effective functioning of the Company.

2.3 Meeting and Attendance Record of Directors

The meetings of the Board of Directors are held at periodical intervals and are generally at the registered office of the Company, Ahmedabad. The meeting dates are decided well in advance and the agenda and notes on agenda are circulated in advance to the directors. All material information is incorporated in the notes on agenda for facilitating meaningful and focused discussion at the meeting. Where it is not perusable to attach supporting or relevant documents to the agendas, the same is tabled before the meeting. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Senior Management persons are often invited to attend the Board Meetings and provide clarifications as and when required.

During the Financial year 2009-2010, 8 Board meeting were held during the year

The composition, attendance and other memberships of the Board of Directors of the company is as follows :

c. Attendance of Directors at Meetings of Board of Directors and last AGM:

Name of the Director	Designation	Category	No. of Board meetings	Attendance at last AGM	Total No. of Director ships in	Total No. of Committee membership	Total No. of Board Chairmanship
DEEPAK NARAYANBHAI PATEL	Director	Executive	8	Yes	0	0	0
MITUL NARAYANBHAI PATEL	Director	Executive	8	Yes	0	0	0
SANJAY MAHENDRA VYAS	Director	Director/ Non Executive	8	Yes	0	0	0
MINESHBHAI NARENDRABHAI SHETH	Director	Director/ Non Executive	8	Yes	0	0	0

2.4 Details of Directors seeking re-appointment at the ensuing Annual General Meeting

As per the provisions of the Companies Act, 1956, two third of the directors of a company should be retiring directors, of which one third of such directors are required to retire every year and if eligible, they qualify for re-appointment.

Mr. Sanjay Vyas, retire by rotation at the ensuing Annual General Meeting and offer him for re-appointment.

Profile of Mr. Sanjay Vyas, Director being appointed u/s 256 of the Companies Act, 1956

Name	Sanjay Vyas
Date of Appointment	11/02/2008
Directorship in other company	Nil

2.5 Details of Directors who are as Chairman and Directors in other Public Companies

None of the Directors on the Board is a member or Chairman of any Committees (as specified in Clause 49 (C) (ii) across all the Companies in which he is a director. The necessary disclosure regarding Directorship and Committee position have been made by the Directors who are on the Board of the Company as on 31st March, 2010 and the same is reproduced herein below:

Sr. No.	Name of Director	No of Directorship in other Public Companies	No. of Committees positions held as Chairman on other public Companies	No. of Committees positions held as member in other public Company
1.	DEEPAK NARAYANBHAI PATEL	—	—	—
2.	MITUL NARAYANBHAI PATEL	—	—	—
3.	SANJAY MAHENDRA VYAS	—	—	—
4.	MINESHBHAI NARENDRABHAI SHETH	—	—	—

3. COMMITTEE OF BOARD:

The Company had four Board Committees. These are

1. Audit Committee
2. Remuneration Committee
3. Sub-Committee (Quarterly Results Review Committee)
4. Share Transfer & Shareholders/Investor Grievance Committee

Moving with various committees formed and reported in the previous Annual Report and in line with the requirements of SEBI and Stock Exchanges, the Board has formally constituted the following committees of Directors.

3.1 Audit Committee:

The Audit committee constituted by the Board of directors as per the provisions of Clause 49 of the listing Agreements as well as in Section 292A of the Companies Act, 1956, comprises of two members viz. Mr. Deepak Patel, Member Director (Non-Executive) Mr. Mitul Patel, Member (Executive) who are aware with finance, accounts, management and corporate affairs. Two members constitute the quorum of the said Audit Committee Meeting.

The Audit Committee of the Board of Directors of the Company, Inter-aila, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

The audit committee while reviewing the Annual Financial Accounts ensures compliance of the Accounting Standard (AS) issued by the Institute of Chartered Accountants of India.

- Review the financial reporting process and disclosure of its financial information
- Review with the management, Annual financial statements before submission to the Board
- Review with the management, statutory Auditors and Internal Auditors and adequacy of internal control systems
- Review the company's accounting and risk management policies
- Review the company's accounting and management reporting systems and updates the same from time to time.
- Recommend the appointment and removal of statutory and Internal Auditors and fixation of fees for the same.
- Review quarterly financial statement
- Review internal investigations made statutory/ Internal Auditors.
- Scope of Statutory/ Internal Audit.
- Review fixed deposits/repayment systems etc.
- Any other applicable functions as described in Corporate Governance.
- Review related party transactions.

The terms and reference of the Audit Committee covers the matters specified as per clause 49 of the Listing Agreement besides other terms as may be referred from time to time by the Board of Directors. The Audit Committee met 3 times during the year.

3.2 Remuneration Committee:

(a) Executive Directors:

The Company has not set up a Remuneration Committee. The remuneration of Executive Director were fixed by the Board and approved by the Share Holders at the Annual General Meeting. During the year Company has not paid any remuneration to the Directors of the Company during the financial year 2009-2010 because of the no business of the Company.

(b) Non-Executive Directors:

Non-Executive Directors have not been paid any remuneration, they had paid only Sitting Fees, being a Non Executive director had not paid any Sitting Fees for the financial year.

3.3 Sub-Committee (Quarterly Results Review Committee) :

The Sub-Committee (Quarterly Results Review Committee) comprises as under :

Name	Designation
Sanjay Vyas	Director
Deepak Patel	Director

The Committee is responsible for approving quarterly un-audited financial statements and monitoring the performance of the Company. 4 (Four) meetings were held on the following dates:

Financial reporting for the quarter ending March 31, 2009	End of April, 2009
Financial reporting for the quarter ending June 30, 2009	End of July, 2009
Financial reporting for the quarter ending September 30, 2009	End of October, 2009
Financial reporting for the quarter ending December 31, 2009	End of January, 2010

3.4 Share Transfer & Shareholders'/Investor Grievance Committee:

The Share Transfer & Shareholders'/Investor Grievance committee comprises as under:

- 1 Mr. Deepak Patel
- 2 Mr. Mitul Patel
- 3 Mr. Sanjay Vyas

The committee is responsible for approving and monitoring transfers, transmission, splitting and consolidation of shares issued by the Company. In addition to that, the committee also monitors redressal of complaints from shareholders relating to transfer of shares, non-receipt of balance sheet etc., No sitting fees is paid to the committee members. The Committee reviewed redressal of investors Grievances pertaining to share transfer, dematerialization of shares, replacement of lost, mutilated and old share certificates, change of address etc. The committee has also taken steps to strengthening investors relations.

The status of shareholders' complaints received so far/number not solved to the satisfaction of shareholders/ number of pending share transfer transactions (as on 31st March, 2009) is given below:-

Complaints Status: 01.04.2009 to 31.03.2010

- Number of complaints received so far : 0
- Number of complaints solved : 0
- Number of pending complaints : 0

4. DISCLOSURES:

(a) Materially significant related party transactions:

The same are not disclosed at on the Significant Accounting Policies and notes on accounts- schedules.

(b) During the last three Years, there were no penalties, strictures imposed by either SEBI or stock Exchange or any statutory authority for non- Compliance of any matter related to the capital market.

5. Share Transfer System:

The Company has an in-house share transfer department and has not appointed any Registrar and Transfer Agent. Valid Share transfer in physical form and complete in all respects were approved and registered within the stipulated period.

6. Dematerialization of shares and liquidity:

The Company has not registered itself with any agency for dematerialization of Companies securities so far.

7. Date, Time and venue of Annual General Meeting : 30th September, 2010 at 12.30 p.m.
S/19, Vikram Chambers, Nr. Sales India,
Ashram Road, Ahmedabad-380009
8. Book Closure Date : 23rd September, 2010 to 30th September, 2010
9. **CEO/CFO Certification:**
Deepak Patel, Director issued a certificate to the Board as Prescribed under sub-clause V of clause 49 of the listing agreement. The said certificate was placed before the meeting of Board of Directors held on 01/04/2010.

MEANS OF COMMUNICATIONS:

The half Yearly and quarterly results of the Company were not published in any news paper but regularly forwarded to the Mumbai Stock Exchange where the Company's share are listed. The Company has not considered it necessary to circulate half yearly results at the residence of shareholders as there is no significant up and down in the activities of the company having material impact on the shareholders interest.

Further the Company has not made any presentation to any financial institutional Investors/analysts or banks during the year.

Listing of Equity Shares on Stock Exchanges: Mumbai Annual listing fees for the financial Year upto 31-03-2010 has been paid.

- g. Stock Code: BSE 526349, ASE: 7262
- h. Demat ISIN number: Applied for
- i. Market price data: The Company has nothing to report as no trade has been reported to take place.
- j. Performance of the Company's shares in comparison with broad based indices as BSE's Sensex: The Company has nothing to report on the matter.
- k. Registered and Transfer Agent: The Company has appointed Cameo Services, Mumbai as the common agencies both in respect of demat shares. The Company is having in house share transfer set up for the transfer of shares which are still in physical mode.
- l. Share Transfer System: All the transfers are received and processed by the Secretarial Department of the Company and approved by share transfer committee. Share Transfer requests received in physical form The Management discussion and analysis forms part of the Annual Report.
10. **Dividend Payment Date** : Not Applicable
11. **Detail of last three Annual General Meeting:**

Meeting	Year	Venue of AGM	Date	Time	Whether Special resolution passed
Annual General Meeting	2009	S/19, Vikram Chambers, Nr. Sales India, Ashram Road, Ahmedabad-380009	30 th September, 2009	12.00 Noon	No
Annual General Meeting	2008	S/19, Vikram Chambers, Nr. Sales India, Ashram Road, Ahmedabad-380009	30 th September, 2008	10.30 A.M	No
Annual General Meeting	2007	S/19, Vikram Chambers, Nr. Sales India, Ashram Road, Ahmedabad-380009	29 th September, 2007	12.00 Noon	No

Details for Special Resolution had passed in last AGM:

2008: NIL

2007: NIL

12. High / Low of Monthly Market Price of the Companies Equity Shares traded on Bombay Stock Exchange during the Financial year 2009-2010 is furnished below:
No trading of Securities took place during the year.

13. Distribution of Shareholding as on March 31, 2010.

On the basis of shares held

No of Equity shares held	No. of share holders	Percentage of Total share holders	No. of Shares held	Percentage of total share held
Upto 5000	6954	91.83%	3,60,000	1.07%
5001 – 10000	319	4.21%	26,93,000	8.04%
10001 – 50000	241	3.18%	54,87,000	16.38%
50001 – 100000	17	0.22%	13,76,000	4.11%
Above 100000	42	0.56%	2,35,84,000	70.40%
Total	7573	100.00%	3,35,00,000	100.00%

Shareholding pattern as on 31st March, 2010

Category	No. of share held	% of shareholding
a. Promoters and persons who may be deemed to be acting in concert including promoter/directors group Companies	8,50,000	25.37%
b. Other bodies corporate	2,23,900	6.68%
c. Indian public	22,76,100	67.94%
Total	33,50,000	100%

Dematerialization of shares: As on 31-03-10 Demat shares accounted for Nil (Equity Shares) of total equity.

- 14. Listing on Stock Exchanges** : The Stock Exchange – Mumbai
Phiroze jeejeebhoy Towers, Dalal Street, Mumbai – 400023
Ahmedabad Stock Exchange Limited
Kamdhenu Complex, Near Polytechnic, Opposite Shahajanand Arts & Commerce College, Ambavadi, Ahmedabad, Gujarat 380015.
- 15. Investor Correspondence** : All enquiries, clarifications and Correspondence should be addressed to the compliance officer at the following address.
- 16. Registrar and Share Transfer Agent** : Cameo Corporate Services Limited
'Subramanian Building', No.1, club House road,
Chennai-600002
- 17. Compliance Officer** : Mr. Deepak Patel
- 18. Address for Correspondence** : S/19, Vikram Chambers, Nr. Sales India, Ashram Road,
Ahmedabad-380009
- 19. Compliance Certificate of the Auditors:**
The statutory Auditors have certified that the company has complied with the conditions of corporate governance as stipulated in clause 49 of the Listing Agreement with the Stock Exchange and the same is annexed to the Directors Report and Management Discussion and Analysis.
The Certificate from the statutory Auditors will be sent to the listed stock exchange along with the annual return of the Company.

DECLARATION

As provided under clause 49 of the Listing Agreement with the Stock Exchange, all Board members and Senior Manager personnel have affirmed compliance with PARTH INDUSTRIES LIMITED Code of Business conduct and ethics for the year ended March 31, 2010

FOR AND ON BEHALF OF THE COMPANY

Date : 01/04/2010
Place : Ahmedabad

DEEPAK PATEL
CHAIRMAN

COMPLIANCE CERTIFICATE

To,
The Members,
PARTH INDUSTRIES LIMITED,
S/19, Vikram Chambers,
Nr. Sales India, Ashram Road,
Ahmedabad-380009

We have examined the compliance of Corporate Governance by PARTH INDUSTRIES LIMITED for the year ended on 31st March, 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate Governance. It is neither an audit nor an expression of to opinion on the financial statement 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 complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance(s) is/ are pending for a period exceeding for one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

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, Chartered Accountants

Place : Ahmedabad
Date : 01st April, 2010

SD/-
(Proprietor)
M. No. 104997

AUDITOR'S REPORT**The Members of
PARTH INDUSTRIES LIMITED**

- 1 We have audited the attached balance sheet of M/s. PARTH INDUSTRIES LIMITED as at 31st March 2010, the profit and loss account and also the 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.
- 2 We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4 Further to our comments in the Annexure referred to above, 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 purposes 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 those books;
 - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 07th June 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 07th June 2008 from being appointed as a director 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 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 the balance sheet, of the state of affairs of the company as at 31st March 2010;
 - (b) in the case of the profit and loss account, of the loss for the year ended on that date; and
 - (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE**M/S. PARTH INDUSTRIES LIMITED**

- (i) (a) The company has no fixed assets hence question of maintaining proper records showing full particulars including quantitative details and situation of fixed assets does not arise.
- (b) As Company has no Fixed Assets during the year under consideration hence question of assets physical verification by the management during the year does not arise
- (c) During the year, the company has no fixed assets hence question of disposal off parts of any of its Fixed Assets does not arise. According to the information and explanations given to us, we are of the opinion that due to no operation during the year going concern status of the company is affected.
- (ii) (a) In absence of stock of finished goods, stores, & raw material question of physical verification during the year by management doesnot arise.
- (b) In absence of stock of finished goods, stores, & raw material question of physical verification and question of procedures of physical verification of stocks followed by the management does not arise.
- (c) In absence of stock of finished goods, stores, & raw material question maintaining proper records of inventory does not arise
- (iii) (a) (a) The company had not taken any secured loan during the year. But company had taken loans from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. The year-end balance of loans taken from such parties was Rs.13.25 lacs. The company has not any granted loans and made any Investments in the the companies covered in the register maintained under section 301 of the Companies Act, 1956 but given Deposits to various suppliers and Govt. Authorities. The year-end balance of loans granted to such parties was Rs. 5.20 Lacs.
- (b) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company. In respect of loans and advances in the nature of loans given by the Company to others, where stipulations have been made, they are generally repaying the principle amounts as stipulated and have also been regular in the payment of interest where applicable.
- (c) The company is neither regular in repaying the principal amounts as stipulated and nor has been regular in the payment of interest.
- (d) There is no overdue amount of loans taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are no activities hence question of adequate internal control procedures, commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods, does not arise. During the course of our audit in absence of activities we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, no transactions are entered hence question of making transactions, in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year at prices which are reasonable having regard to prevailing market prices at the relevant time, does not arise.
- (vi) The company has not accepted any deposits from public, except from directors, shareholders and relatives of direcotrs, consequently the provisions of section 58A of the Companies Act, 1956 and The Companies (Acceptance of Deposits) Rules, 1985 are not applicable.

- (vii) In our opinion, as per the provisions of Companies Act internal audit system are applicable to the Company but no internal audit has been conducted in absence of activities during the year.
- (viii) As per the information and explanation given to us the Central Government has not prescribed for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- (ix) (a) The company have no statutory dues and Company has regularised the dues by depositing the dues with appropriate authorities undisputed statutory dues and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, No undisputed amount in respect of Income Tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31st March 2010 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sale tax, customs duty, wealth tax, excise duty and cess, which have not been deposited on account of any dispute.
- (x) The company have accumulated losses during the year. The company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has no repayment obligations to financial institutions, except Disputed liability of GLFL, bank or debenture holders hence question of defaulted in repayment of dues to financial institution, bank or debenture holders does not arise.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/Societies. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, and according to information and explanation given to us no term loans have raised hence the question of application for the purpose for which they were raised does not arise.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets.
- (xviii) According to the 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 under section 301 of the Act during the period covered under audit.
- (xix) According to the information and explanations given to us, the company has not issued any debentures during the period covered by our audit report.
- (xx) During the period covered under audit the company has not made any public issues of shares.
- (xxi) According to the information and explanations given to us, no fraud or misappropriation by the company has been noticed or reported during the course of our audit.

AUDITOR'S REPORT

The Members of
PARTH INDUSTRIES LIMITED

We have examined the attached Cash Flow Statement of PARTH INDUSTRIES LIMITED for the period ended 31st March, 2010. The statement has been prepared by the Company in accordance with the requirements of Listing Agreement and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

BALANCE SHEET AS AT 31/03/2010

PARTICULARS		AMOUNT	2010 AMOUNT	2009 AMOUNT
SOURCES OF FUND				
(a) Share Holders Fund	A	25911000.00		
(b) Reserves and Surplus		0.00		
		25911000.00	25911000.00	
PROFIT & LOSS A/C.	A		0.00	0.00
Loan Funds	B		0.00	0.00
(a) Secured Loan	C		1325000.00	1325000.00
(b) Unsecured Loan				
TOTAL Rs...			27236000.00	27236000.00
APPLICATION OF FUNDS				
FIXED ASSETS				
GROSS BLOCK	D	0.00		0.00
LESS : DEPRECIATION		0.00		0.00
NET BLOCK			0.00	0.00
INVESTMENTS , DEPOSITS & OTHER	E		0.00	0.00
CURRENT ASSETS			0.00	0.00
(a) Debtors	F	0.00		0.00
(b) Loans & advances	G	520000.00		520000.00
(c) Inventories	H	0.00		0.00
(d) Bank's Balance	I	10340.00		9979.00
(e) Cash Balance	J	4378.83		54378.83
TOTAL CURRENT ASSETS Rs...		534718.83		584357.83
LESS : CURRENT LIABILITIES & PROVISIONS				
(a) Creditors	K	0.00		0.00
(b) Provision	L	5000.00		24900.00
TOTAL CURRENT LIABILITIES Rs...		5000.00		24900.00
NET CURRENT ASSETS			529718.83	559457.83
MISC. EXPENDITURES	M		26706281.17	26676542.17
NOTES FORMING PART OF THE ACCOUNTS				
TOTAL Rs.....			27236000.00	27236000.00
AS PER OUR AUDIT REPORT OF EVEN DATE			0.00	0.00

R.B. GOHIL & CO.
BOARD OF Chartered Company

FOR AND ON BEHALF OF THE
PARTH INDUSTRIES LIMITED

Raghubha B. Gohil
Partner
No. 104997

DEEPAK PATEL
(DIRECTOR)

SANJAY VYAS
(DIRECTOR)

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON 31/03/2010

PARTICULARS			2010 AMOUNT	2009 AMOUNT
SALES			0.00	0.00
FINISHED GOODS & IN W.I.P.STOCK	N		0.00	0.00
TOTAL			0.00	0.00
EXPENDITURE			0.00	0.00
	O		29739.00	53449.00
TOTAL			0.00	0.00
PROFIT BEFORE TAXATION			29739.00	53449.00
PROVISION FOR TAXATION			-29739.00	-53449.00
PROFIT AFTER TAX(PAT)			0.00	0.00
PROFIT /LOSS BROUGHT FORWARD			-29739.00	-53449.00
NET PROFIT CARRIED TO BALANCE			-2293020.95	-2239571.95
			-2322759.95	-2293020.95

R.B. GOHIL & CO.
BOARD OF Chartered Company

Raghubha B. Gohil
Partner
No. 104997

FOR AND ON BEHALF OF THE
PARTH INDUSTRIES LIMITED

DEEPAK PATEL
(DIRECTOR)

SANJAY VYAS
(DIRECTOR)

SCHEDULES FORMING PART OF BALANCE SHEET & P & L

	2010	2009
	AMOUNT	AMOUNT
SCHEDULE A SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
3500000 EQUITY SHARES OF Rs.. 10 EACH	35000000.00	35000000.00
PAID UP SHARE CAPITAL		
3350000 EQUITY SHARES OF Rs.. 10 EACH	33500000.00	33500000.00
LESS : CALLS IN ARREARS	7589000.00	7589000.00
TOTAL RS...	25911000.00	25911000.00
PROFIT & LOSS ACCOUNT		
OPENING BALANCE	AMOUNT	AMOUNT
	0.00	0.00
TRANSFER FROM P & L/A/C. DURING THE YEAR	0.00	0.00
TOTAL RS...	0.00	0.00
SCHEDULE B		
SECURED LOAN	AMOUNT	AMOUNT
	0.00	0.00
TOTAL RS...	0.00	0.00
SCHEDULE C		
UN SECURED LOANS	AMOUNT	AMOUNT
DEEPAK N.PAEL	0.00	0.00
GUJARAT LEASE AND FINANCE LIMITED	285000.00	285000.00
NILOFOS CHEMICALS BOMBAY	1040000.00	1040000.00
TOTAL RS...	1325000.00	1325000.00
SCHEDULE E		
INVESTMENT, DEPOSITS & OTHERS	AMOUNT	AMOUNT
TOTAL RS...	0.00	0.00
SCHEDULE F		
DEBTORS	AMOUNT	AMOUNT
	0.00	0.00
TOTAL RS...	0.00	0.00
SCHEDULE G		
LOANS & ADVANCES & OTHER ASSETS	AMOUNT	AMOUNT
MITUL PATEL	120000.00	120000.00
SUSHRUT. L VYAS	100000.00	100000.00
BINA SUSHRUT VYAS	100000.00	100000.00
HINA MITUL PATEL	100000.00	100000.00
NIPA R SHAH	100000.00	100000.00
TOTAL RS...	520000.00	520000.00

SCHEDULES FORMING PART OF BALANCE SHEET & P& L

	2010	2009
	AMOUNT	AMOUNT
SCHEDULE H		
INVENTORIES		
FINISHED	0.00	0.00
	0.00	0.00
SCHEDULE I		
BANK'S BALANCE		
BOI STADIUM BR. CD-AC	10340.00	9979.00
TOTAL RS...	10340.00	9979.00
SCHEDULE J		
CASH BALANCE		
CASH ACCOUNT	4378.83	54378.83
TOTAL RS...	4378.83	54378.83
SCHEDULE K		
CURRENT LIABILITIES (CREDITORS)		
TOTAL RS...	0.00	0.00
SCHEDULE L		
CURRENT LIABILITIES (PROVISIONS)		
AUDIT FEES PAYABLE	1500.00	1500.00
CONSULTANCY CHARGES PAYABLE	2500.00	0.00
INTEREST PAYABLE	0.00	0.00
ACCOUNTS CHARGES PAYABLE	1000.00	1000.00
LEGAL FEES	0.00	0.00
MUNICIPAL TAX PAYABLE	0.00	0.00
PROFESSIONAL TAX PAYABLE	0.00	0.00
DEEPAK PATEL ROC FEES	0.00	14000.00
STOCK EXCHANGE FEES PAYABLE	0.00	8400.00
TOTAL RS...	5000.00	24900.00
SCHEDULE M		
MISC. EXPENDITURES		
CAPITAL ASSETS LOSS & GAIN	18797921.54	18797921.54
PRELIMINARY EXPENSES	2344863.40	2344863.40
PROFIT & LOSS ACCOUNT	2322759.95	2293020.95
PUBLIC ISSUE EXPENSES	2241378.44	2241378.44
UNALLOCATED CAPITAL EXPENSES	684357.84	684357.84
SETTLEMENT AMOUNT	315000.00	315000.00
TOTAL RS...	26706281.17	26676542.17

SCHEDULES FORMING PART OF BALANCE SHEET & P& L

SCHEDULE N	2010	2009
	AMOUNT	AMOUNT
SALES		
SALES ACCOUNT		
SALES (CASH) ACCOUNT	0.00	0.00
	0.00	0.00
SCHEDULE O	0.00	0.00
EXPENSES	AMOUNT	AMOUNT
ANNUAL MEETING EXPENSES		
BANK CHARGES EXP.	0.00	0.00
ROC FEES	725.00	215.00
ADVERTISEMENT EXPENSES	9000.00	4000.00
STOCK EXCHANGE FEES	10800.00	45900.00
AUDIT FEES	4214.00	0.00
CONSULTANCY EXP.	1500.00	1500.00
DD CHARGES	2500.00	0.00
ACCOUNTS CHARGES	0.00	834.00
	1000.00	1000.00
	29739.00	53449.00

THE STATEMENT SHOWING SIGNIFICANT ACCOUNTING POLICIES :

The accounts have been prepared in accordance with the Mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and other applicable provisions of the other Laws.

- (A) **METHOD OF ACCOUNTING :**
The Accounts of the Company are prepared under the Historical Cost Convention using the Mercantile Method of Accounting.
- (B) **FIXED ASSETS :**
Company has no fixed Assets at the end of Financial year hence question of its valuation does not arise.
- (C) **DEPRECIATION :**
The question of providing Depreciation in absence of Fixed Assets does not arise.
- (D) **INVESTMENTS :**
The investments are shown at cost and is inclusive of related expenses. Income from these deposit & Investment is accounted on Receipt basis from the available information.
- (E) **INVENTORY :**
Company has not done any Commercial activities during the year hence no details of Inventory is provided.
- (F) **RETIREMENT BENEFITS :**
Gratuity and Provident Fund are not provided in the books since not applicable.
- (I) **CAPITAL ISSUE EXPENDITURE :**
Company has not written off Preliminary and Pre-operative expenses during the year in absence of Commercial Activities or any Income.

NOTES ON ACCOUNTS :

1. Previous year figures have been re-grouped and rearranged wherever necessary for proper presentation of accounts.
2. Sundry debit and credit balances of loans and advances are subject to confirmation and Bank Balances as per reconciliation, if any. As per view of management the same are shown at realisable value and necessary precaution of actual and realisable value has been taken care of.
3. As informed to us, there are no contingent liabilities as on Balance Sheet Date.
4. Auditors Remuneration relating to audit work Rs. 1500/- (P.Y. Rs. 1500/-) is provided at the end of year.
5. As informed to us there are no estimated amounts of contracts remaining to be executed on Capital Amount.
6. Management of the Company has physically verified the Fixed Assets and Investments in the Form of Shares and no discrepancy were found in Books and physical existence of Assets and Investments.
7. As Certified by the Directors all amounts in the Balance Sheet relating to Sundry Debtors, Sundry Creditors, Unsecured Loans, Deposits, Loans and advances are shown at net realisable or net payable as the case may be.
8. As Certified by Company that it has received written representation from All the Directors, that Companies in which they are Directors had not defaulted in terms of section 274(1)(g) of the Companies Act, 1956, and that representation of Directors taken in Board that no Director is disqualified from being appointed as Director of the Company.
9. Income in Foreign Currency is NIL.
10. Expenditure in Foreign Currency is NIL.
11. Company has informed us that One Consultant Practicing Company Secretary is maintaining necessary registers required under Companies Act and Other Applicable Provisions but same are not produced before us for verification.
12. No Transaction has been made except filing of Statutory papers to concerned authorities.
13. As per information & Explanation given to us the shares for which allotment cum call money has not paid is under the process of forfeiture.
14. Share Application Money Account and Share Allotment are Subject to reconciliation.
15. As per the Information and explanation given to us the loans made in the nature of ICD are now within the prescribed Limit.
16. The Inter-Corporate Deposits though matured are not fully recovered.
17. The Company has not accounted for the Interest due on Loans Advances and Inter Corporate Deposits as the same are not recoverable and are also outstanding. This interest accounting will have an effect on Profit and Loss Account of the Company.
18. The T.D.S outstanding account on interest earned is yet to be reconciled.
19. No employee is getting any remuneration.
20. No quantitative details are possible in absence of Commercial Activities during the year.
21. No information relating to licensed Capacity or Production Capacity is available at this stage.
22. No Status Change is occurred during the year in the matter of GLFL Loan.

As per over report of even date

FOR AND ON BEHALF OF THE BOARD OF
PARTH INDUSTRIES LIMITED

DEEPAK PATEL
(DIRECTOR)

SANJAY VYAS
(DIRECTOR)

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31/03/2010

A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS		
ADJUSTMENTS FOR :	-0.30	-0.53
DEPRECIATION		
FOREIGN EXCHANGE	0.00	0.00
INVESTMENTS	0.00	0.00
INTEREST/DIVIDEND	0.00	0.00
OPERATING PROFIT BEFORE W. CAP. CHANGES	0.00	0.00
	<u>-0.30</u>	<u>-0.53</u>
ADJUSTMENTS FOR :		
TRADE AND OTHER RECEIVABLES		
INVENTORIES	0.00	0.00
TRADE PAYABLES	0.00	0.00
CASH GENERATED FROM OPERATIONS	<u>-0.19</u>	<u>-8.56</u>
INTERST PAID	-0.49	-9.09
DIRECT TAXES PAID	0.00	0.00
CASH FLOW BEOFRE EXTRAORDINARY ITEMS	0.00	0.00
EXTRA ORDINARY ITEMS	<u>-0.49</u>	<u>-9.09</u>
NET CASH FROM OPERATING ACTIVITIES	<u>0.00</u>	<u>0.00</u>
	<u>-0.49</u>	<u>-9.09</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASETS		
SALE OF FIXED ASSET	0.00	0.00
ACQUISITION OF COMPANIES (AS PER ANNEXURE)	0.00	0.00
PURCHASE OF INVESTMENTS	0.00	0.00
SALE OF INVESTMENTS	0.00	0.00
INTEREST RECEIVABLE	0.00	0.00
DIVIDEND RECEIVABLE	0.00	0.00
NET CASH USED IN INVESTING ACTIVITIES	<u>0.00</u>	<u>0.00</u>
	<u>0.00</u>	<u>0.00</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
PROCEEDS FROM ISSUE OF SHARE CAPITAL	0.00	0.00
PROCEEDS FROM LONG TERM BORROWINGS	0.00	5.00
REPAYMENT OF FINANCE LEASE LIABILITES	0.00	0.80
DIVIDENDS PAID	0.00	0.00
NET CASH USED IN FINANCING ACTIVITIES	0.00	4.20
NET INCREASE IN CASH AND CASH EQUIVALENTS	-0.49	-4.89
CASH AND CASH EQUIVALENTS AS AT 01/04/2009 (OPENING BALANCE)	0.64	5.53
CASH AND CASH EQUIVALENTS AS AT 31/03/2010	0.15	0.64

FOR AND ON BEHALF OF THE BOARD OF
PARTH INDUSTRIES LIMITED

DEEPAK PATEL
(DIRECTOR)

SANJAY VYAS
(DIRECTOR)

BALANCESHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details :

Registration No. State Code (Refer Code List 1) : 04 - 17863
 Balance Sheet : Date - Month - Year - 2010

II. Capital Raised during the Year (Amount in Rs. Thousands)

Public Issue NIL
 Right Issue NIL
 Bonus Issue NIL
 Private Placement 0.00

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities 27236.00
 Total Assets 27236.00
Sources of Funds :
 Paid up Capital 25911.00
 Reserve & Surplus 0.00
 Secured Loans 0.00
 Unsecured Loans 1325.00
Application of Funds :
 Net Fixed Assets 0.00
 Investments 0.00
 Net Current Assets 529.72
 Miscellaneous Expenditure 26706.28
 Accumulated Losses NIL

IV. Performance of Company (Amount in Rs Thousands)

Turnover 0.00
 Total Expenditure 29.74
 + - Profit/Loss Before Tax 29.74
 + - Profit/Loss After Tax (Please tick Appropriate box + for profit, - for Loss) -29.74
 Earning per share in Rs. -0.01
 Dividend NIL

IV. Generic Names of Three Principal Products/Services of Company :

Product : COURROGATED BOX

Item Code No. :

Description :

Product : STATIONERY

Item Code No. :

Description :

Product :

Item Code No. :

Description :

FOR AND ON BEHALF OF THE BOARD OF
 PARTH INDUSTRIES LIMITED

DEEPAK PATEL
 (DIRECTOR)

SANJAY VYAS
 (DIRECTOR)

PROXY FORM

Registered Folio No :

No of Shares held :

I/We _____ of _____ being Member / Members of Parth Industries Limited), hereby appoint Shri / Smt. _____ of _____ or failing him Shri / Smt. _____ of _____ as my / our proxy to vote for me/ us and on my/ us behalf at Annual General Meeting of the Company to be held on, 30th Day of September, 2010 at 12.30 a.m.

Signed by the said _____ day of _____ 2010

Signature : _____

Applicable to the members holding shares in electronic form.

NOTE :

The proxy to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

_____ TERE HERE _____

ATTENDANCE SLIP

Please complete this Attendance slip and hand it over at the entrance of the Meeting Hall. It helps us to make proper arrangements. Failures to bring this Attendance Slip create unnecessary inconvenience to you. Please write below

Reg.Folio No :

I hereby record my presence at the Annual General Meeting of the Company held S/19, Vikram Chambers, Nr. Sales India, Ashram Road, Ahmedabad-380009 on 30th September, 2010 at 12.30 a.m.

Full Name of the Members / Proxy _____
(In Block Letters, to be filled in if the proxy attends instead of the Member)

Application to the members holding shares in electronic form.

Members/ Proxy Signature

NOTES :

1. Members/ Proxy holders are requested to bring their copy of the Notice with them at the Meeting.
2. Please carry with you this Attendance Slip and hand over the same duly completed, stamped signed at the space provided, at the entrance of the Meeting Hall.
3. Shareholders / Proxy holders should bring their copy of the Annual Report for the meeting.