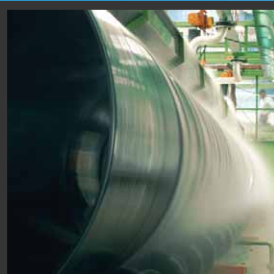


PRATIBHA INDUSTRIES LIMITED

ANNUAL REPORT 2009-2010





Shri Ajit. B. Kulkarni receiving Award from Hon'ble Union Minister Shri Kamal Nath - Road Transport and Highways



Annual Sports Day 2010 (1)



(2)



(3)



National Safety Day Celebration (1)



(2)



NMMC Water Pipeline Project



SAW Pipes Production & Coating Activity



Pipe Laying Activity



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15TH ANNUAL GENERAL MEETING

On 30th June, 2010 at 3:30 p.m.
Hotel Oasis,
Opp. Tata Institute of Social Sciences,
Sion Trombay Road,
Deonar,
Mumbai – 400 088

WORKS

Plot No. 215, Vijaypur, P.O. Kone,
Bhiwandi-Wada Road,
Tal. Wada, Dist. Thane – 421 303.

REGISTRARS AND TRANSFER AGENTS

LINK INTIME INDIA PRIVATE LIMITED

(Formerly Intime Spectrum Registry Limited)
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078
Tel No. 022-25963838 / Fax: 022 - 25946969
Website: www.linkintime.co.in
E- Mail: rnt.helpdesk@linkintime.co.in

BOARD OF DIRECTORS

Mrs. Usha B. Kulkarni	Chairperson
Mr. Ajit B. Kulkarni	Managing Director
Mr. Vinayak B. Kulkarni	Whole Time Director
Mr. Rohit R. Katyal*	Whole Time Director
Mr. Ramakant Jha**	Whole Time Director
Mr. Awinash M. Arondekar	Independent Director
Mr. Shrikant T. Gadre	Independent Director
Dr. S. L. Dhingra*	Independent Director
Mr. V. Sivakumaran*	Independent Director
Mr. Vilas Parulekar*	Independent Director

(*) w.e.f. 24th September, 2009

(**) upto 07th May, 2010

COMPANY SECRETARY

Mr. Pankaj S. Chourasia

BANKERS TO THE COMPANY

Bank of Baroda	Bank of India
ICICI Bank Limited	Punjab National Bank
State Bank of India	

STATUTORY AUDITORS

Jayesh Sanghrajka & Co.,
Chartered Accountants

INTERNAL AUDITORS

Chokshi & Chokshi,
Chartered Accountants

REGISTERED OFFICE

101, Usha Kamal,
574, Chembur Naka,
Chembur, Mumbai 400071.
E-mail: info@pratibhagroup.com
Website: www.pratibhagroup.com

CORPORATE OFFICE

Shrikant Chambers, Phase-II,
5th Floor, Sion - Trombay Road,
Next to R.K. Studio, Chembur,
Mumbai 400071.
Tel: 91 22 3955 9999
Fax 91 22 2520 1135

FIVE YEARS AT A GLANCE (CONSOLIDATED)

(Rs. In Millions)

Particulars	2009-10	2008-09	2007-08	2006-07	2005-06
Total Income	10,134.33	8,107.63	5,651.07	3,007.77	1,746.32
Operating Expenses	8,705.24	7,141.48	4,990.66	2,637.48	1,531.45
Operating Profit	1,429.09	966.15	660.41	370.28	214.87
Finance Charges	522.35	340.51	222.74	123.40	71.12
Depreciation	140.43	71.26	35.99	11.27	6.63
Profit before Tax	766.31	554.38	401.68	235.62	137.12
Provision for Tax	201.21	107.11	59.10	31.33	14.37
Profit after Tax	565.10	447.28	342.58	204.29	122.75
What we owned					
Fixed Assets					
Gross Block	3,169.00	1,683.21	989.83	246.22	156.60
Less : Depreciation	278.43	139.41	68.56	32.66	21.71
Net Block	2,890.57	1,543.80	921.28	213.56	134.89
Capital Work in Progress	113.66	607.46	315.24	279.83	-
Investments	51.43	0.93	852.97	28.23	294.59
Working Capital	4,176.18	2,640.88	1,095.14	1,794.32	854.02
Miscellaneous Expenditure	087	0.30	0.15	0.15	43.07
Total	7,232.71	4,793.37	3,184.78	2,315.99	1,326.57
What we owed					
Secured Loans	3,047.78	2,179.33	1,284.34	1,063.13	415.71
Unsecured Loans	1,300.09	305.13	43.73	299.79	87.56
Deferred Tax Liability	131.10	61.70	17.81	4.49	0.96
Total	4,478.97	2,546.16	1,345.88	1,367.41	504.23
Networth					
Share Capital	166.85	166.85	166.85	142.85	142.85
Reserves & Surplus	2,586.89	2,080.35	1,672.05	805.73	679.49
Total	2,753.74	2,247.20	1,838.90	948.58	822.34
EPS (Rs.)	33.87	26.81	22.88	14.30	8.59
Dividend per Share (Rs.)	3.00	2.00	2.00	2.00	-
Book Value per Share (Rs.)	165.04	134.68	110.21	66.40	57.57
Debt Equity Ratio	1.58	1.11	0.72	1.44	0.61

NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of the Members of Pratibha Industries Limited will be held on Wednesday, 30th June, 2010 at 3.30 p.m., at Hotel Oasis, Opp. Tata Institute of Social Sciences, Sion-Trombay Road, Deonar, Mumbai 400 088, to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at March 31, 2010, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon;
2. To consider declaration of dividend, if any;
3. To appoint a Director in place of Mrs. Usha B. Kulkarni who retires by rotation under Article 152 of Articles of Association of the Company and being eligible offers herself for re-appointment;
4. To appoint a Director in place of Mr. Awinash M. Arondekar, who retires by rotation under Article 152 of Articles of Association of the Company and being eligible offers himself for re-appointment;
5. To appoint a Director in place of Mr. Vinayak B. Kulkarni who retires by rotation under Article 152 of Articles of Association of the Company and being eligible offers himself for re-appointment;
6. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**;

"RESOLVED THAT M/s. Jayesh Sanghrajka & Co., Chartered Accountants, Mumbai, the retiring Auditors of the Company, be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors."

SPECIAL BUSINESS

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") and in accordance with the provisions contained in the Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, 2,50,00,000 equity shares of the nominal value of Rs.10/- each in the authorised share capital of the Company be sub-divided into 12,50,00,000 equity shares of Rs. 2/- each.

RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association with respect to capital clause be and is hereby substituted by the following;

"The Authorised Share Capital of the Company is Rs.25,00,00,000/- (Rupees Twenty Five Crore Only) divided into 12,50,00,000 (Twelve Crore Fifty Lacs) Equity Shares of Rs.2/- (Rupee Two Only) each."

RESOLVED FURTHER THAT the Board of Directors of the Company ("the Board", which expression shall also include a Committee thereof) be and they are hereby authorised to issue new share certificates representing the sub-divided equity shares with new distinctive numbers, consequent to the sub-division of shares as aforesaid and /or credit the shareholders' accounts maintained with the Depositories, subject to the rules as laid down in the Companies (Issue of Share Certificates) Rules, 1960, and the Articles of Association of the Company and to inform the Depositories and the Registrar and Transfer Agents of the Company and execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board, to any Committee thereof or to any Director(s) or Company Secretary, to give effect to the aforesaid resolution."

8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in accordance with the provisions contained in the Articles of Association and Section 81 (1A) and all other applicable provisions of the Companies Act, 1956 ("the Act") and the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the Guidelines") (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include ESOS Compensation Committee which the Board may constitute having independent Directors in majority to exercise its powers, including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board to create, offer, issue grant/allot up to 25,00,000 (Twenty five lakhs) Equity Stock options to the eligible present and future employees and Directors of the Company in one or more tranches through ESOS which entitles the option holders to subscribe to 1 (one) equity share of the Company of face value of Rs. 2/- per option granted at grant price on such terms and conditions as may be fixed or determined by the Board.

RESOLVED FURTHER THAT the said equity shares may be allotted directly to such employees/ Directors in accordance with a Scheme framed in that behalf and that the scheme may also envisage for providing any financial assistance to the employee(s) to enable the employee(s) to acquire, purchase or subscribe to the equity shares of the Company.

RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing Equity Shares of the Company, unless otherwise decided by the Board of Directors of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of equity shares, the Board be and is hereby authorised on behalf of the Company to evolve, decide upon and bring into effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company."

9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT in accordance with the provisions contained in the Articles of Association and Section 81 (1A) and all other applicable provisions of the Companies Act, 1956 ("the Act") and the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the Guidelines") (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include ESOS Compensation Committee which the Board may constitute having Independent Directors in majority to exercise its powers, including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board to extend the benefits of ESOS proposed in the Item no. 8 in this Notice, to employees/ Directors of subsidiary Companies, whether Indian or Foreign Subsidiaries, existing and as and when formed, under prevailing laws, rules and regulations and /or amendments thereto from time to time on such terms and conditions as may be fixed or determined by the Board

on the basis of Salient Features of ESOS mentioned in aforesaid resolution and its annexure.

RESOLVED FURTHER THAT the said Equity shares may be allotted directly to such employees/ Directors in accordance with a Scheme framed in that behalf and that the scheme may also envisage for providing any financial assistance to the employee(s) to enable the employee(s) to acquire, purchase or subscribe to the equity shares of the Company.

RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing Equity Shares of the Company; unless otherwise decided by the Board of Directors of the Company.

"RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of equity shares, the Board be and is hereby authorised on behalf of the Company to evolve, decide upon and bring in to effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company."

By Order of the Board of Directors

Pankaj S. Chourasia
Company Secretary

Registered Office :

101, Usha Kamal, 574,
Chembur Naka, Chembur,
Mumbai - 400071

Date : 7th May, 2010

Place : Mumbai

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE COMMENCEMENT OF THE MEETING.**
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
5. Members who hold shares in dematerialized form are requested to write their **Client ID and DP ID Numbers** and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, between 11 a.m. and 1 p.m. up to the date of the Meeting.
8. The Company has notified closure of Register of Members and Share Transfer Books from Wednesday, 23rd June, 2010 to Wednesday, 30th June, 2010 (both days inclusive).
9. Non-Resident Indian Members are requested to inform the Company's Registrars and Transfer Agents, M/s. Link Intime India Private Limited, immediately of:
 - (a) The change in the residential status on return to India for permanent settlement.
 - (b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of Bank with Pin Code Number, if not furnished earlier.
10. Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
11. Re-appointment of Directors:

At the ensuing Annual General Meeting, Mrs. Usha B. Kulakrni, Mr. Awinash M. Arondekar and Mr. Vinayak B. Kulkarni, retire by rotation and being eligible offer themselves for re-appointment. As per the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the information or details pertaining to these Directors are furnished in the statement on Corporate Governance published in this Annual Report.
12. After declaration of dividend at the Annual General Meeting, the dividend Warrants/ Pay Orders/ Drafts for the dividend amount are scheduled to be posted from 7th July, 2010 onwards to the members, whose names appear on the Register of Members on close of business hours on 30th June, 2010. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership, as per details to be furnished for this purpose by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
13. The dividend will be paid through NECS in respect of shareholders having demat accounts, to the credit of related bank accounts as furnished by the depositories. Members who desire the warrants and would like to have their bank accounts details incorporated in their dividend warrants may please furnish the following details;
 - i. Folio No./Client ID/DP ID
 - ii. Name and Address of sole/ first shareholder
 - iii. Bank Account No. (With prefix SB/ CA etc.)
 - iv. Name of the bank and branch
 - v. Full address of the bank with PIN Code.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 7

The market price of the shares of the Company has witnessed significant enhance over last one year. In order to improve the liquidity of the Company's shares in the stock market and to make shares of the Company affordable to the small investors, the Board of Directors of the Company ('the Board') at their meeting held on 07th May, 2010, considered it desirable to sub-divide the nominal value of the equity portion of the authorised share capital of the Company.

The shareholders may please note that presently the nominal value of the equity shares is Rs.10/- each and consequent to the sub-division it is being divided into 5 (Five) equity shares of Rs. 2/- each. The date on which this sub-division would become effective, will be decided by the Board after obtaining the shareholders' approval, which will be notified through the Stock Exchanges.

Shareholders attention is also invited to the fact that in view of the foregoing, the existing Capital Clause V in the Memorandum of Association of the Company relating to equity shares also need relevant amendment to give effect to the sub-division.

Your Directors recommended the resolution as special Resolution for approval of the Members.

Memorandum of Interest

The Directors of the Company are deemed to be concerned or interested in the resolution only to the extent of shares held by them in the Company.

ITEM NO. 8

The Board has identified the need to reward Permanent employees/ Directors of the Company. The dedication and committed contribution of such employees in pursuing growth and financial success is very important. To enhance awareness of creating value for shareholders, attract and retain talent for mutual prosperity, it is proposed to introduce, Pratibha Industries Ltd. Employee Stock Option Scheme 2010 (PRATIBHA ESOS 2010) Scheme.

The Board of Directors at its meeting on 07th May 2010 has constituted a Committee to be called as Compensation Committee for administration and Superintendence of PRATIBHA ESOS 2010 Scheme.

The information required as per Clause 6.2 of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI ESOS Guidelines") is given below.

1.	The total number of Options to be granted	Options granted under the scheme shall not exceed 25,00,000 (Twenty Five Lakhs). One option is convertible into one equity share of face value of Rs.2 each. Suitable adjustment in quantity to be done in case of corporate action like Split, Bonus, Rights, Sale of division, Merger, Demerger etc.
2.	Identification of classes of employees entitled to participate in PRATIBHA ESOS 2010 Scheme.	All present & future employees of the Company up to certain level, including Directors (including whole time Directors) of the Company, its subsidiary companies and as may be decided by the Compensation Committee constituted for the purpose.
3.	Requirements of vesting, period of vesting and maximum period within which Options shall be vested.	The vesting period shall commence after expiry of One year from the date of grant of Options, and extend up to Five years from date of each grant or such further or other period as the Board / Committee may determine, from time to time. The Options would vest subject to continued employment with the Company or group company. In addition to this, the Board / Committee may specify performance criteria / conditions to be met subject to which Options would vest in the employee. The Options may vest in tranches subject to the terms and conditions stipulated by the Compensation Committee.
4.	Exercise price and pricing formula	The exercise price shall be upto 40% discount to the market price on the date of grant. Compensation Committee shall decide the quantum of discount at the time of each grant.
5.	Exercise period and process of exercise	Subject to the provisions of PRATIBHA ESOS 2010 Scheme, the exercise period shall commence from the date of vesting and will, subject to certain circumstances such as termination of employment, death, disability, etc., expire on completion of two years from the date of vesting. The Option Holder shall make a written application for the exercise of such Options through an exercise application. Payment of the aggregate exercise price for Options vested may be made by cheque or draft at the time of exercise of the Options.

6.	The appraisal process for determining the eligibility of employees to PRATIBHA ESOS 2010 Scheme	The eligibility of such employees to receive performance-linked grants will be determined in terms of the PRATIBHA ESOS 2010 Scheme formulated aforesaid. In determining the eligibility of such employees, factors like duration of service, overall performance of the employee and positions held by the employee, shall be given due importance.
7.	Maximum number of Options to be issued per employee and in aggregate	The maximum number of options that may be granted under the PRATIBHA ESOS 2010 Scheme to an individual eligible participant shall be 1,00,000 options. The limit on the maximum number of options shall also be applicable to Directors, including independent Directors. The number of Options to be issued per employee will be determined by the Compensation Committee.
8.	The method the Company shall use to value its options: fair value or Intrinsic value	The Company may use the Intrinsic Value method to value its Options. In this respect, Intrinsic Value means the excess of the market price of the share under ESOS over the exercise price of the option (including up-front payment, if any).
9.	Taxes and duties	In the event of any tax liability of any kind arising on account of the Grant of the Options, Vesting of Options, Exercise of Options, sale of shares of any other event, the liability for such Tax shall be that of the eligible participant alone. In the event that any Taxes (including fringe benefits tax, if any, imposed by the Government of India) are required to be paid by the Company, the same shall be recovered from Eligible Participant.

The Company shall confirm to the accounting policies specified in the SEBI ESOP Guidelines.

In case the company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.

The Board / Committee shall have the absolute authority to vary or modify the terms of ESOS in accordance with the regulations and guidelines prescribed by SEBI or regulations that may be issued by any appropriate authority from time to time, unless such variation, modification or alteration is detrimental to the interest of the Employee / Directors.

In the terms of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 and the SEBI (Employee Stock option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the shareholders' consent is sought to authorize the Board to issue equity shares in the manner set out in the resolution aforesaid.

The Board recommends the resolution for approval by the shareholders.

None of the Directors of the Company are in any way, concerned or interested in the resolution, except to the extent of the options/equity shares that may be offered to them under PRATIBHA ESOS 2010 Scheme.

ITEM No. 9

At present the Pratibha Infrastructure Private Limited and Prime Infrapark Private Limited are subsidiaries of the Company. It is also likely that Company may have more subsidiaries in future. As stipulated by SEBI guidelines, a separate resolution is required to be passed if the benefits of ESOS are to be extended to employees/ Directors of subsidiaries.

Thus, a separate resolution has been proposed. The features of scheme mentioned in explanatory notes of item no. 8 are same for employees/ Directors of subsidiary Companies.

The Board recommends the resolution for approval by the shareholders.

None of the Directors of the Company are in any way, concerned or interested in the resolution, except to the extent of the options/ equity shares that may be offered to them under PRATIBHA ESOS 2010 Scheme.

By Order of the Board of Directors

**Pankaj S. Chourasia
Company Secretary**

Registered Office :
101, Usha Kamal, 574,
Chembur Naka, Chembur,
Mumbai - 400071

Date : 7th May, 2010
Place : Mumbai

DIRECTORS' REPORT

To,

The Members

Your Directors have great pleasure in presenting the 15th Annual Report together with the Statement of Accounts for the financial year ended 31st March, 2010.

The performance of the Company for the financial year ended on 31st March, 2010, is summarised below:

FINANCIAL RESULTS:

(Rupees in Crores)

Particulars	Consolidated	
	31.03.2010	31.03.2009
Income	1013.43	810.76
EBIDTA	142.90	96.62
Less : Interest & Finance Charges	52.23	34.05
Less : Depreciation & Amortisation	14.04	7.13
Profit Before Tax	76.63	55.44
Provision for Tax	20.11	10.71
Profit After Tax (PAT)	56.51	44.73
APPROPRIATIONS		
Proposed Dividend on Equity Shares	5.01	3.34
Tax on Dividend	0.85	0.57
Transfer to General Reserve	5.70	3.50
Balance Carried to the Balance Sheet	44.95	37.32
Earning Per Share- Basic & Diluted (in Rs.)	33.87	26.81

PERFORMANCE REVIEW:

Your company has continued its spree of achieving and exhibiting robust and excellent performance. Being the fastest growing company in India in its segment, the company has again demonstrated its flawless skills of execution of complex and prestigious engineering projects. The last financial year again was one of the best year for the company and the company has achieved highest ever top as well as bottom lines. The performance during the last financial year is impressive and company has crossed the psychological barrier and entered into an elite league companies having turnover of Rs. 1000 crores and more. The company has achieved a record turnover of Rs. 1013 crores, which has increased by over 27% as compared to Rs. 800 Crores in the last financial year.

As briefed, the order book position of the company has also seen a phenomenal growth. The order book has surged to a record level and crossed the land mark of Rs. 4000 crores. Your company is very confident and bullish on getting few more big size orders, which will have substantial positive impact on the working, profitability and standing of the company in the industry. The execution period of these orders ranges from one to four years. The decision of the company to diversify into different sub-segments has yielded positive results and the company is getting awarded regularly various projects in the construction division. The continued growth and swelling order book crystallise company's strength and understanding of the market and its core area of operations.

Traditionally, the water segment plays an important and crucial role in the performance of the company and contributes substantially towards the turnover and profitability of the company. It constitutes approximately 60-70 % of total turnover of the company; the order book is also consists major projects

from the water segment. The company is eyeing rigorously in different fields to spread its wing in other area of infrastructure development to enhance its presence. Accordingly, the dependability of the company on water segment as percentage to total order book and sales revenue is decreasing. Though the company is continuously maintaining its edge in this niche area. In addition to water projects, various roads, tunnelling, airports, urban infrastructure etc. are also contributing towards the encouraging performance of the company.

In a conscious deviation move, your company is exploring various options to enlarge the base of activities. Accordingly in recent past, the company has aggressively and consciously ventured into relatively new segments viz. building and modernisation of airports, tunnelling, construction of high rises, shopping malls, urban infrastructure etc. In pursuit of this, the Company has recently executed and completed two major airport projects viz., Amritsar Airport and Ahmedabad Airport apart from execution of two tunnel projects for the Brihanmumbai Municipal Corporation, Mumbai. The Company's foray into relatively new fields is an indication of the Company's desire to diversify itself and play an aggressive role of the full fledged infrastructure development Company. The efforts for diversifying activities will enable company to execute more extreme engineering projects in future. The Company, despite increasing its base and diversifying activities, has maintained its edge and efficiency in niche water segments. Your company has also embarked upon the BOT/BOOT projects, and company's efforts are showing results, and to start with, your company got couple of BOT projects as well. Your Company further wishes to diversify and embark upon lucrative, crucial and complex highway construction projects of NHAI in near future.

DIVIDEND

To reward the shareholders for their continued support, confidence and faith in the Company, the Board is pleased to increase the dividend by fifty percent as compared to last year's 20%. The Board recommends dividend of Rs.3/- (Rupees Three) per equity share i.e.30%. The total outgo on this account shall be Rs. 5.86 Crores including dividend distribution tax.

TRANSFER TO RESERVE

Your directors propose to transfer a sum of Rs. 570 lacs to the General Reserve account.

SAP IMPLEMENTATION

During the year under review, the Company has partially implemented SAP system w.e.f. 16th April, 2010 which results in the better transparency, accountability and reliability of information and accounting system of the Company.

AWARD/CERTIFICATION

We are pleased to share with you that your company, during the financial year under review, has received an award from Construction World for being No. 1 Fastest Growing Infrastructure Company in Medium category. This crystallises company's commitment to growth.

Further recently, the Company has received prestigious award from CNBC – Infrastructure Excellence Awards – 2010 under Urban Infrastructure category for 24 x 7 NMMC Water Supply scheme project competed by your Company. Your Company has also been short listed under Airport category for Amritsar International Airport.

FIXED DEPOSITS

The Company has not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956, during the period under review.

DIRECTORS

At the ensuing AGM three directors are liable to retire by rotation, these include Mrs. Usha B. Kulkarni, Mr. Awinash M. Arondekar and Mr. Vinayak B. Kulkarni. These directors are eligible for reappointment.

The information on the particulars of Directors seeking re-appointment as required under Clause 49 of the Listing Agreement executed with the Stock Exchanges have been given under Corporate Governance section of this Report.

Mr. Ramakant Jha has resigned with effect from 7th May, 2010 as the Director and Whole time director of the Company. Mr. Ramakant Jha, could not assume the office of the whole time director, due to his preoccupied continued engagement and was not paid any remuneration during his tenure as Whole Time Director. Your Directors wish to place on record their gratitude for the guidance and advice received from Mr. Ramakant Jha during his tenure as director of the company.

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 that:

(i) in the preparation of the annual accounts, the applicable

accounting standards have been followed;

- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2010 and of the profit of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

SUBSIDIARY

The Company is having two wholly owned subsidiary companies i.e. Pratibha Infrastructure Private Limited and Prime Infrapark Private Limited. During the year under review Prime Infrapark Private Limited has been formed to undertake specific project in NCR. A statement pursuant to Section 212 of the Companies Act, 1956, related to the accounts of the subsidiaries is annexed as part of this Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-27 on reporting of interest in Joint Ventures and AS-23 on accounting for investments in Associates, your Directors provide the audited Consolidated Financial Statements in the Annual Report.

PERSONNEL

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, the names and other particulars of employees are set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219 (1) (b) (v) of the Companies Act, 1956, the Annual Report is being sent to all the shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

AUDITORS AND AUDITORS' REPORT

M/s. Jayesh Sanghrajka & Co., Chartered Accountants, Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and being eligible for re-appointment.

The Company has received confirmation from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and also that they are not disqualified for such re-appointment within the meaning of Section 226 of the said Act. The Auditors has also submitted peer review certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India, New Delhi as required under the listing agreement.

The Notes on Accounts referred to in the Auditors Report are self-explanatory and therefore do not call for any further comments.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 217 (1) (e) of the Act read with Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, form part of this Report.

CORPORATE GOVERNANCE

Being observant and responsible, the company is committed to high standards of the corporate ethics, professionalism and transparency. As per Clause 49 of the Listing Agreement with the stock exchanges, a separate section on Corporate Governance forms part of the Annual Report

A certificate from the Statutory Auditors of the Company confirming the compliance of conditions of corporate governance under Clause 49 of the Listing Agreement is also attached to this Report.

PLEDGE OF SHARES

None of the equity shares of the directors of the Company are pledged with any banks, financial institutions.

EMPLOYEE RELATIONSHIP

The Company enjoyed very cordial and fruitful relations with

the employees during the year under review and the Management wishes to place on record its sincere appreciation of the efforts put in by the Company's workers, staff and executives for achieving excellent results under demanding circumstances.

The company is proud to place on record that the company has very low attrition rate as compared to its peers in the industries.

ACKNOWLEDGMENT

Your Directors would like to express their sincere appreciation and gratitude for the support and co-operation received from the Central and State Governments, Civic Corporation and authorities, Banks, Financial Institutions, Customers, Suppliers, Associates, Vendors, Sub – Contractors and Members during the year under review. The Directors also wish to thank and place on record its appreciation for all the employees for their committed and sincere services and continued cooperation throughout the year.

For and on behalf of the Board of Directors

Date : 7th May, 2010
Place : Mumbai

Usha B. Kulkarni
Chairperson

ANNEXURE TO DIRECTORS' REPORT

Information under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors Report for the period ended 31st March, 2010.

(A) Conservation of Energy

(a) Energy Conservation and efficiency measures undertaken :

Energy Conservation during the financial year has accrued as a result of the following steps:

- Reduction in the specific consumption of electricity by optimizing its usage.
- Provision of CFL in various parts of the factory building.
- Maintaining power factor from 0.99 to 1 for MSEDCL power.

(b) Additional Proposals being implemented for further conservation of energy

- Appointment of certified energy manager by BEE, Ministry of Power as consultant.
- Solar Energy or any other renewable energy

(c) Impact of the above measures for reduction of energy consumption and consequent impact on cost of production of goods:

- The measures stated in (a) and (b) above have led/would lead to reduction in fuel and electricity consumption as well as improvement in the productivity.

(d) Total energy consumption and energy consumption per unit of production as per Form A.

Form A			
Power and Fuel Consumption From 1 April 2009 to 31 March 2010			
	Unit	Total cost	Rs. Per unit
Electricity	41,57,991	2,37,26,922	5.70/Unit
Own generation (Through Diesel Generator)	2,68,869	36,28,687	13.49/unit
Unit			
Coal	N. A.	N. A	N. A.
Furnace Oil	N. A.	N. A	N. A.

Consumption per unit of production from 1 April 2009 to 31 March 2010

Spiral:-0.0199 Ton/Unit

Coating:-0.1030 Sq.mtrs /Unit

(B) Technology Absorption

1. Efforts, in brief, made towards technology Absorption, adaptation and innovation : Not applicable
2. Benefits derived as a result of the above efforts : Not applicable
3. Details about imported technology (imported During the last five years reckoned from the date of beginning of financial year, if any. : Not applicable

(C) Research & Development

1. Specific Areas in which R & D is carried out by the company : Nil
2. Benefits derived as result of above R & D : Nil
3. Future Plan of Action : Nil
4. Expenditure on R & D : Nil

(D) Foreign Exchange Earnings and Outgo

1. Activities relating to Exports :

There were no significant exports by the Company during the year.

2. Total Foreign exchange used and earned:

(Rs. in lacs)

	Year ended	
	31.03.2010	31.03.2009
(i) Foreign Exchange earned	110.15	423.28
(ii) Foreign Exchange used	1694.97	3213.96

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company firmly believes that the Corporate Governance to be adopted in its true spirit, which is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good Governance practices stem from the culture and mindset of the organization and therefore it covers aspects such as social obligation, ethical conduct, safety, health and environment, control and finance, commitment to employees. The Company makes the management transparent and efficient to maximize the long term value of all the stakeholders. The Company also believes into complete disclosure, accountability, adequate systems and procedures to monitor the state of affairs of the Company to enable the Management to effectively discharge its responsibilities to the stakeholders of the Company.

The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a leading infrastructure company in India. For the Company Corporate Governance stands for responsible and value creating management control of the Company.

The Company has professionals on its Board who are actively involved in the deliberation of the Board on all important policy matter.

2. BOARD OF DIRECTORS

(a) Composition of the Board

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors on its board. The Board of Directors of the Company (the Board) consists of Nine Directors, of which five are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges.

Composition of the Board and category of Directors are as follows:

Name of the Directors	Designation	Category
Mrs. Usha B. Kulkarni	Chairperson	Promoter & Executive
Mr. Ajit B. Kulkarni	Managing Director	Promoter & Executive
Mr. Vinayak B. Kulkarni	Whole time Director	Promoter & Executive
Mr. Rohit Katyal(#)	Whole Time Director	Executive
Mr. Ramakant Jha(**)	Whole Time Director	Executive
Mr. Awinash M. Arondekar	Director	Independent Non-Executive
Mr. Shrikant T. Gadre	Director	Independent Non-Executive
Mr. V. B. Parulekar(#)	Director	Independent Non-Executive
Dr. S. L. Dhingra(#)	Director	Independent Non-Executive
Mr. V. Sivakumaran(#)	Director	Independent Non-Executive
Mr. Anilkumar Karkhanis(***)	Director	Independent Non Executive

Appointed as Director w.e.f. 24th September 2009

** Resigned as Director w.e.f. 07.05.2010

*** Resigned as Director w.e.f. 13th May, 2009

(b) Details of attendance of Directors at Board Meetings, Annual General Meeting and Extra Ordinary General Meeting, and other Directorships and Memberships/ Chairmanships of Committees of each Director in other companies:

Name of the Director	Attendance Particulars		No. of other Directorships and Committee Memberships / Chairmanships		
	Board Meeting	Attendance At AGM	Director Ships*	Committee Member Ships**	Chairman Ships**
Mrs. Usha B. Kulkarni	7	Yes	5	Nil	Nil
Mr. Ajit B. Kulkarni	7	Yes	8	2	Nil
Mr. Vinayak B. Kulkarni	7	Yes	6	Nil	Nil
Mr. Rohit Katyal	4	N.A.	7	Nil	Nil
Mr. Awinash M. Arondekar	7	Yes	5	5	2
Mr. Shrikant T. Gadre	7	Yes	3	2	1
Mr. V. B. Parulekar	4	N.A.	2	Nil	Nil
Dr. S. L. Dhingra	2	N.A.	1	Nil	Nil
Mr. V. Sivakumaran	4	N.A.	1	Nil	Nil

* Including Pratibha Industries Limited. ** Details of Pratibha Industries Limited.

(c) Details of Board Meeting

Seven Board meetings were held during the year, as against the minimum requirement of four meetings. The dates on which the meetings were held are: 09.05.2009, 25.07.2009, 24.09.2009, 30.10.2009, 28.12.2009, 22.01.2010 and 10.03.2010.

(d) Board Committees

The Board has constituted four committees consisting members of the Board. Details of the Committees and other related information are provided hereunder:

These committees facilitate focused, timely & efficient deliberation and discussions

Constitution

Name of Director	Name of the Committee			
	Audit	Remuneration/ Compensation	Shareholder Grievance	Finance
Mrs. Usha B. Kulkarni	No	No	No	Yes*
Mr. Ajit B. Kulkarni	Yes	Yes	Yes	Yes
Mr. Vinayak B. Kulkarni	No	No	No	Yes
Mr. Rohit Katyal	No	No	No	No
Mr. Awinash M. Arondekar	Yes	Yes	Yes*	No
Mr. Shrikant T. Gadre	Yes*	Yes*	Yes	No
Mr. V. B. Parulekar	No	Yes	No	No
Dr. S. L. Dhingra	No	No	No	No
Mr. V. Sivakumaran	No	No	No	No

*** Chairperson/Chairman**

None of the Directors of the Company was a member of more than ten committees nor was the Chairman of more than five committees across all companies in which they are directors.

3. BOARD/COMMITTEE MEETINGS AND PROCEDURE:

a) Institutionalized decision-making process:

In order to setup the systems and procedures for the matter requiring discussions/ decisions by the Board, the Board of Directors has framed guidelines for the meeting of Board of Directors and Committee thereof. The said guidelines seek to systematize the decision making process at the meetings of Board/Committees, in most efficient and transparent manner.

b) Scheduling and selection of Agenda items for Board/ Committee Meetings:

- i) The Company holds minimum of four Board Meetings in each year, which are pre-scheduled after the end of each financial quarter. Apart from the four pre-scheduled Board Meetings, additional Board Meetings is been convened by giving appropriate notice at any time to address the specific needs of the Company. The Board may also approve permitted urgent matters by passing resolutions by circulation.
- ii) All divisions/ departments in the Company are encouraged to plan their functions well in advance particularly with regard to matters requiring discussion/ approval/ decision in the board/ Committee meetings. After that, the Chairperson of the Board and the Company Secretary in consultation with other concerned persons in the senior management, finalize the agenda papers for the Board Meetings and circulated amongst the Board Members and other invitees to the Meeting.
- iii) Where it is not practicable to attach any document or the agenda is of sensitive nature, the same is circulated at the meeting with the approval of the Chair. In special and exceptional circumstances, additional or supplemental item(s) on the agenda are taken up for discussion with the permission of the Chair and after a consensus is formed. Sensitive/confidential subject matters are discussed at the meeting even without written material being circulated.
- iv) The meetings are held at the Company's Administrative Office at Chembur, Mumbai.
- v) The members of the Board have complete access to all information of the Company.

c) Briefing by the Managing Director & Whole Time Director:

At the beginning of each meeting of the Board, Managing Director and Whole Time Director brief the Board Members about the key developments relating to the Company in diverse areas, development at various sites, receipt of major orders and their progress on regular basis.

d) Recording minutes of proceedings at the Board and committee meetings:

The Corporate Secretarial Department records the proceedings of each board and committee meetings within the

stipulated time lines. Draft minutes are circulated to all the members of the Board/ committees for their comments.

e) Post meeting follow up mechanism

There is an effective post meeting follow-up, review and reporting process for the action taken on decisions of the Board and Committee.

f) Compliance:

The Company Secretary while preparing the agenda along with notes on agenda, minutes etc. of the meeting (s) is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 1956, with the Rules issued there under and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

Information placed before the Board of Directors, interalia, includes:

Following information, as may be required and applicable, are placed before the board:

- Annual operating plans and budgets and any updates.
- Capital Budgets and any updates.
- Annual Accounts, Directors' Report etc.
- Quarterly results of the company.
- Minutes of meetings of Board and other Committees of the Board.
- Presentation by the marketing team with regard to marketing plans of the Company
- Show cause, demand, prosecution notices and penalty notices which are materially important, if any.
- Fatal or serious accidents, dangerous occurrences, if any.
- Operational highlights and substantial non-payment for goods sold by the company.
- Major investments, formation of Subsidiaries and Joint Ventures, Strategic Alliances etc.
- Award of large contracts.
- Disclosure of Interest by Directors about directorship and committee positions occupied by them in other companies.
- Any significant development in Human Resources/Industrial Relations front.
- Compliance Certificate of any regulatory, statutory nature.
- Short term investment of surplus funds.
- Information relating to major legal disputes.
- All Other significant events /information.

4. AUDIT COMMITTEE

The objective of the Audit committees to assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the company and its compliance with the legal and regulatory requirement. The Committee's purpose is to oversee the accounting and financial reporting process of the company, the audits of the company's financial statements the appointment, independence and performance of the statutory auditors, the performance of internal auditors.

(a) Terms of Reference

The terms of reference to the Audit Committee inter alia, cover the matters specified under Clause 49 of the Listing Agreement as well as in Section 292 A of the Companies Act, 1956, and more particularly include the following:

- i. To investigate any activity within its terms or reference
- ii. To seek information from any employee
- iii. To obtain outside legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

(b) Composition

The Audit Committee consists of two independent directors and one executive director. The composition of the Audit Committee is as under:

Name of the Members	Designation	Nature of Directorship
Mr. Shrikant T. Gadre	Chairman	Independent & Non Executive Director
Mr. Awinash. M. Arondekar	Member	Independent & Non Executive Director
Mr. Ajit B. Kulkarni	Member	Promoter & Executive Director

All the members of the Audit Committee are financially literate and Mr. Shrikant Gadre, Chairman possesses requisite financial / accounting expertise.

Mr. Pankaj S. Chourasia, Company Secretary, is the Secretary to the Audit Committee. The main function of the Audit Committee is to provide the Board of Directors with additional assurance as to reliability of financial information and statutory financial statements and as to the adequacy of internal accounting and control systems. It acts as a link between the management, statutory auditors and the Board of Directors.

(c) **Meetings and Attendance during the year**

During the year under review, the Audit Committee met four times. The dates on which Audit Committee meetings were held are: 9th May, 2009, 25th July, 2009, 30th October, 2009, and 22nd January, 2010. In addition to the members and Company Secretary, Chief Operating Officer, Chief Financial Officer, and representatives of the Statutory Auditors & Internal Auditors were also invited to attend the Audit Committee meeting to reply to the queries, if any, by the Committee members.

The Committee has recommended the appointments of M/s. Jayesh Sanghrajka & Co., Chartered Accountants, as the Statutory Auditors and M/s Chokshi & Chokshi, Chartered Accountants, as Internal Auditors of the Company.

5. REMUNERATION COMMITTEE

(a) **Terms of Reference**

The Remuneration committee recommends/review remuneration, promotions, incentive, performance bonus, increments etc. for the Executive Directors of the Board and appointment of relatives of directors on office or place of profit.

(b) **Composition**

The Committee comprises of the following members

Name of the Members	Designation	Nature of Directorship
Mr. Shrikant T. Gadre*	Chairman	Independent & Non Executive Director
Mr. Awinash M. Arondekar	Member	Independent & Non Executive Director
Mr. Vilas B. Parulekar*	Member	Independent & Non Executive Director
Mr. Ajit B. Kulkarni	Member	Promoter & Executive Director

* Inducted as member w.e.f. 24th September 2009.

Mr. Dinesh Deora, a Company Secretary and Chartered Accountants is an independent expert member pursuant to Director's relatives (Office or Place of Profit) Rules, 2003.

(c) **Remuneration Policy**

The Remuneration Committee has been constituted to review remuneration payable to Executive Directors, based on their performance and vis a vis with the performance of the Company on defined assessment parameters. The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the Industry Standards.

The terms of Remuneration Committee also includes considering and recommending appointment at a place of profit under Section 314 of the Companies Act, 1956, and any rules made there under.

(d) **Meeting and Attendance during the financial year**

During the financial year two meetings of the Remuneration Committee were held on 9th May, 2009 and 24th September, 2009 attended by the all the members. The Committee has recommended the revision of salaries of the executive directors.

(e) **Details of Remuneration**

Executive Directors

The aggregate value of salary and perquisites including performance bonus, if any, paid for the year ended March 31, 2010, to the Managing Director and Whole Time Directors are as follows:

Name of the Director	Designation	Salary (Rs.)	Perquisites	Performance Bonus/ Commission
Mrs. Usha B. Kulkarni	Chairperson	13,08,000	8,65,084	Nil
Mr. Ajit B. Kulkarni	Managing Director	81,75,000	71,909	1,15,00,000
Mr. Vinayak B. Kulkarni	Whole Time Director	10,90,000	39,600	Nil
Mr. Rohit Katyal	Whole Time Director	36,05,600	39,600	Nil
Mr. Ramakant Jha	Whole Time Director	Nil*	Nil	Nil

*Though Mr. Ramakant Jha has been appointed as Whole Time Director, but he is yet to resume office because of his pre-committed indulgence.

NON EXECUTIVE DIRECTORS

The non-executive director are paid by way of sitting fees and they are also eligible for a payment commission on profit as approved by the members in their 12th Annual General Meeting & subsequently by remuneration committee

and board meeting. The sitting fee and commission paid to the non- executive directors during the financial year 2009-10 are as under:

Name of the Director	Sitting fees	Commission*	Total
Mr. Shrikant T. Gadre	Rs. 1,30,000	Rs. 1,50,000	Rs. 2,80,000
Mr. Awinash M. Arondekar	Rs. 1,20,000	Rs. 1,50,000	Rs. 2,70,000
Mr. Vilas B. Parulekar	Rs. 40,000	Rs. 1,50,000	Rs. 1,90,000
Mr. S. L. Dhingra	Rs. 20,000	Rs. 1,50,000	Rs. 1,70,000
Mr. V. Sivakumaran	Rs. 40,000	Rs. 1,50,000	Rs. 1,90,000
Mr. Ramakant Jha	Rs. 20,000	Nil	Rs. 20,000

* Recommended by the Remuneration Committee & Board for the year 2009-10.

6. SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE

As part of its Corporate Governance initiative, the Company constituted the Shareholders/Investors Grievance Committee to specifically look into the unresolved shareholders grievance with regard to transfer / transmission / demat / remat of shares, issue of duplicate, split-up, consolidation, renewal of share certificate, non-receipt of Annual Report, non- receipt of application money and other issues concerning the shareholder/investors .

The Committee comprises of the following persons:

Name of the Members	Designation	Nature of Directorship
Mr. Awinash M. Arondekar	Chairman	Independent & Non Executive Director
Mr. Shrikant T. Gadre	Member	Independent & Non Executive Director
Mr. Ajit B. Kulkarni	Member	Executive Director

The Company has duly appointed share transfer agent M/s. Link Intime India Private Limited, (R&T agent) for servicing the shareholders holding shares in physical or dematerialized form. All requests for dematerialization of shares are like wise processed and confirmations thereof are communicated to investors within the prescribed time.

Mr. Pankaj S. Chourasia, Company Secretary and Compliance Officer, nominated for this purpose under Clause No. 47(a) of the Listing Agreement. He looks into the investor grievances and supervises and coordinates with the M/s. Link Intime India Private Limited, Registrar & Transfer Agents, for redressal of grievances. Every quarter the Company publishes the status of the complaint received and their respective redressal.

During the year the Company has received only 17 complaints, against the 28 Complaints received last year and the same have been resolved with in the stipulated time period and no complaint is pending at the end of the year. Company's continued efforts to streamlines system has yielded positive results and investors complaint have reduced substantially.

The Committee expresses satisfaction with the Company's performance in dealing with the investor grievances.

7. SHARE TRANSFER COMMITTEE

This Share Transfer Committee of the Company has been dissolved w.e.f. 24th September, 2009 and the powers and functions of the committee have been assumed by Shareholders' Grievance Committee.

8. FINANCE COMMITTEE

The Board of Directors of the Company has constituted a Finance Committee of Directors. The Committee has been formed to avail finance for the purchase of construction equipments and vehicles for the Company.

The Committee currently comprises of Mrs. Usha B. Kulkarni as the Chairperson and Mr. Ajit B. Kulkarni and Mr. Vinayak B. Kulkarni as the other members.

9. GENERAL BODY MEETINGS

(a) Annual General Meeting

Location, date, time of the Annual General Meetings held during the preceding 3 years are as follows:

Year	Location	Date	Time	Special Resolution(s)
2008-09	Hotel Oasis, Nr. Deonar Bus Depot, Sion Trombay Road, Deonar, Mumbai – 400 088	30 th June 2009	12.30 P.M.	5
2007-08	Hotel Oasis, Nr. Deonar Bus Depot, Sion Trombay Road, Deonar, Mumbai – 400 088	20 th June, 2008	12.30 P.M.	4
2006-07	Hotel Oasis, Nr. Deonar Bus Depot, Sion Trombay Road, Deonar, Mumbai – 400 088	20 th June, 2007	3.30 P.M.	9

(b) **Extra Ordinary General Meeting**

No Extra Ordinary General Meeting was held during the year under review.

(c) **Postal Ballot**

During the year, the company conducted Postal Ballot process in accordance with the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2001. Mr. Dinesh Kumar Deora, A.C.A. and A.C.S., a Practising Company Secretary had been appointed as Scrutinizer for the postal ballot process. He has submitted his report to Chairperson and accordingly, the result of postal ballot process had been announced by the Chairperson on 2nd March, 2010.

Date of Completion of Postal Ballot	Brief of Resolution(s)	Percentage of votes cast in favour of resolution
02 nd March 2010	To increase in Borrowing Power under Section 293 (1) (d) of the Companies Act, 1956.	99.76
	Authority to Board to Borrow by Mortgagee/ Creating charge on Assets of the Company u/s. 293(1)(a) of the Companies Act, 1956	99.76
	Inter Corporate loans and Investments under Section 372 (A) of the Companies Act, 1956.	99.74
	Appointment of Mr. Rohit Katyal as Director of the Company	99.75
	Appointment of Dr. S. L. Dhingra as Director of the Company.	99.75
	Appointment of Mr. V. Sivakumaran as Director of the Company.	99.75
	Appointment of Mr. Vilas B. Parulekar as Director of the Company.	99.75
	Appointment of Mr. Rohit Katyal as Whole Time Director of the Company	99.74
	Appointment of Mr. Ramakant Jha as Whole Time Director of the Company.	99.75
	Raising of funds through further issue of securities.	99.74
	Approval for increase in the limit of total holding by registered Foreign Institutional Investor (FIIs).	99.76

10 DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

(i) Disclosure on Materially significant related party transactions that may have potential conflict with the interests of Company at Large

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of Members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts – Schedule ‘S’, forming part of the Annual Report.

The Company’s related party transactions are generally with its associates. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, Company’s long term strategy for investments, optimization of market share and profitability, legal requirements, liquidity and capital resources of its subsidiary and associates. All related party transactions are negotiated on arms length basis and are solely intended to further the interests of the Company.

ii) Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company has complied with all the requirements of the Listing Agreement with Stock Exchange as well as Regulations and Guidelines prescribed by SEBI. There were no penalties or strictures imposed on the company by any statutory authorities for non-compliance on any matter related to capital markets, during the last three years.

(iii) Whistle Blower Policy

The Whistle Blower Policy forms a part of the Code of Conduct and Ethics for Board of Directors and Senior Management Personnel. No personnel have been denied access to the Audit Committee.

(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

All the mandatory requirements of Clause 49 are complied with. In respect of the non – mandatory requirements the Board has set up a remuneration committee consisting of three non-executive directors and one executive director.

11. MEANS OF COMMUNICATION

- Half Yearly report sent to each of shareholders : No.
- Quarterly Results
Which newspapers normally published in : Free Press Journal - English
Nav Shakti – Marathi

- Any Web site, where displayed. : www.pratibhagroup.com
- Presentation made to Institutional Investors or to Analyst : Yes.
 - Whether Management Discussion and Analysis Report is a part of annual report or not : Yes.

12. GENERAL SHAREHOLDER INFORMATION

(a) Company Registration details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L45200MH1995PLC090760.

(b) 15th Annual General Meeting:

Date : Wednesday, 30th day of June, 2010
 Time : 3.30 P.M.
 Venue : Hotel Oasis,
 Opp. Tata Institute of Social Science,
 Sion Trombay Road, Deonar,
 Mumbai – 400 088

(c) Financial Calendar (tentative)

Results for the quarter ending June 30, 2010 - 3rd/4th week of July, 2010
 Results for quarter ending September 30, 2010 - 3rd/ 4th week of October, 2010
 Results for quarter ending December 31, 2010 - 3rd/ 4th week of January, 2011
 Results for year ending March 31, 2011 - 2nd/ 3rd week of May, 2011
 Sixteenth Annual General Meeting - June/July, 2011

(d) Dividend Payment Date

On or after 7th July, 2010

(e) Book Closure Period

Wednesday, 23/06/2010 to Wednesday, 30/06/2010 (both days inclusive).

(f) Listing of Equity Shares on Stock Exchanges and Payment of Listing Fee The Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers

Dalal Street, Fort, Mumbai 400 001

National Stock Exchange of India Limited (NSE),

“Exchange Plaza”

Bandra-Kurla Complex

Bandra (E), Mumbai 400 051

Annual listing fee for the year 2010-11, as applicable, has been paid by the Company to BSE and NSE.

(g) Security Code

- (i) Scrip Code on BSE is : '532718'
- (ii) Trading Symbol on NSE is : 'PRATIBHA EQ'
- (iii) Demat ISIN in NSDL & CDSL for Equity Shares : ISIN -INE308H01014

(h) Unclaimed Shares lying in the Escrow Account

The Company entered the Capital Market with Initial Public Offer through 100% Book Building process for 42,50,000 equity shares of Rs. 10/- each at a premium of Rs. 110/- per share. In light of SEBI's notification No. SEBI/CFD/DIL/LA/2009/24/04 on April 24, 2009, the Company has opened a separate demat accounts to credit the unclaimed shares which could not be allotted to the rightful shareholder due to insufficient/ incorrect information or any other reason. The voting rights in respect of the said shares will be frozen till the time rightful owner claims such shares.

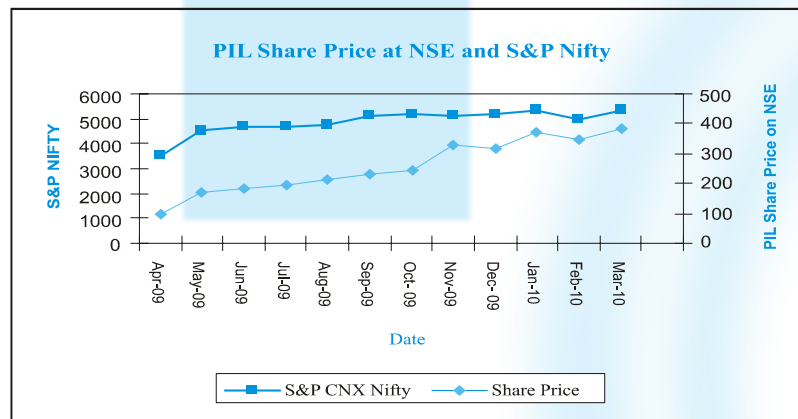
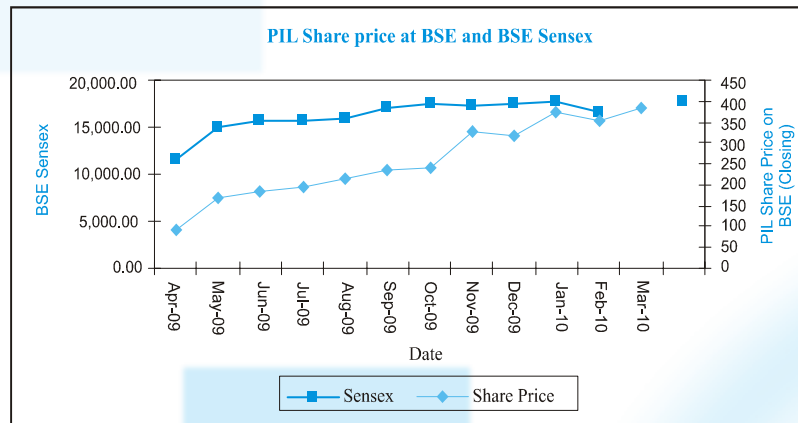
During the year under review the Company has sent two more reminders to the shareholders and accordingly 3 shareholders have claimed their shares and the Company has transferred total 150 equity shares from the said account. The Company has also paid dividend amount accrued on such shares to the respective shareholders.

(i) Market Price Data

The Equity shares of the Company are listed on Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. The details of high and low of the Market Price Data of the equity shares of the Company for the financial year ending on 31st March, 2010 are as under.

Month	The Stock Exchange, Mumbai				National Stock Exchange			
	Share Price		Sensex		Share Price		S&P CNX Nifty	
	High(Rs)	Low(Rs.)	High	Low	High(Rs)	Low (Rs)	High	Low
April 2009	94.40	76.60	11,492.10	9546.29	94.90	74.55	3517.25	2965.70
May 2009	168.15	82.70	14,930.54	11621.30	167.85	82.00	4509.40	3478.70
June 2009	185.00	140.00	15,600.30	14016.95	185.20	142.10	4693.2	4586.15
July 2009	194.00	139.10	15,732.81	13219.99	193.00	140.00	4669.75	3918.75
August 2009	212.90	150.90	16,002.46	14684.45	212.45	156.10	4743.75	4353.45
September 2009	233.00	166.80	17,142.52	15356.72	234.00	191.20	5087.6	4600.65
October 2009	242.00	198.00	17,493.17	15805.20	241.90	198.00	5181.95	4687.50
November 2009	327.00	186.10	17,290.48	15330.56	329.90	185.30	5138.00	4538.50
December 2009	315.50	270.20	17,530.94	16577.78	315.70	269.05	5221.85	4943.95
January 2010	374.40	288.00	17,790.33	15982.08	374.00	286.00	5310.85	4766.00
February 2010	351.05	301.20	16,669.25	15651.99	344.90	304.00	4992.00	4675.40
March 2010	385.90	320.00	17,793.01	16438.45	385.50	319.00	5329.55	4935.35

Source : BSE – NSE website



(i) Registrars and Transfer Agents

M/s. Link Intime India Private Limited
(Formerly Intime Spectrum Registry Limited)
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai – 400 078.
Tel No. 022-2596 3838
Fax No. 022-2594 6969
Website: www.linkintime.co.in
E- Mail: rnt.helpdesk@linkintime.co.in

(k) Share Transfer System

The shareholding of the Promoters and Promoters group amounting to 61.99% of the total paid up share capital.

The Board has delegated the authority for approving transfer, transmission, etc. of the company's securities to the Shareholders/Investors Grievance Committee. A summary of transfer / transmission of securities of the Company, so approved by the Committee, are placed at every Board Meeting.

As per the requirement of the Clause 47 (c) of the Listing Agreement with the Stock Exchanges, the half yearly audit is done by a Company Secretary in whole time Practice, whereby checking and verifying that all certificates have been issued within one month of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies. A copy of the same is also submitted to the Stock Exchanges.

(l) Shareholding Pattern as on March 31, 2010;

Category code	Category of shareholder	Number of share holders	Total number of shares	Number of shares held in demat form	Total shareholding as a % of total number of shares	
					As a % of (A+B)	As a % of (A+B+C)
(A) Shareholding of Promoter and Promoter Group						
(1) Indian						
(a)	Individuals/ Hindu Undivided Family	17	10343150	10343150	61.99	61.99
(b)	Central / State Government(s)	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0
(d)	Financial Institutions/ Banks	0	0	0	0	0
(e)	Any Other	0	0	0	0	0
Sub-Total (A)(1)		17	10343150	10343150	61.99	61.99
(a)	Individuals (NRI/ Foreign Individuals)	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0
(c)	Institutions	0	00	0	0	0
(d)	Any Other (specify)	0	0	0	0	0
Sub-Total (A)(2)		0	0	0	0	0
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		17	10343150	10343150	61.99	61.99
(a)	Mutual Funds/ UTI Bank Limited	3	1435000	1435000	8.60	8.60
(b)	Financial Institutions/ Banks	0	0	0	0	0
(c)	Central /State Government(s)	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0
(f)	FII's	6	1576691	1576691	9.45	9.45
(g)	Foreign Venture Capital	0	0	0	0	0
(h)	Any Other	0	0	0	0	0
Sub-Total (B)(1)		9	3011691	3011691	18.05	18.05

(a) Bodies Corporate	384	578115	578115	3.46	3.46
(b) i. Individuals Individual shareholders holding nominal share capital up to Rs.1 lakh.	12600	1736335	1736279	10.41	10.41
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	19	479560	479560	2.87	2.87
(c) Any Other (specify)					
i. Clearing Member	136	346523	346523	2.08	2.08
ii. NRIs (Repatriation)	1	3502	3502	0.02	0.02
iii. OCBs	224	169609	169609	1.02	1.02
iv. Trust	44	16515	16515	0.10	0.10
Sub-Total (B)(2)	13408	3330159	3330159	19.96	19.96
Total Public Shareholding (B)= (B)(1)+(B)(2)	13417	6341850	6341794	38.01	38.01
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0
GRAND TOTAL (A)+(B)+(C)	13434	16685000	16684944	100.00	100.00

During the financial year 2009-10, the Company has not issued any equity shares.

(m) Distribution of Shareholding on March 31, 2010

Distribution of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto - 500	12591	93.72	936171	5.61
501 - 1000	430	3.20	339290	2.03
1001 - 2000	212	1.58	316000	1.89
2001 - 3000	52	0.39	129759	0.77
3001 - 4000	25	0.19	89588	0.54
4001 - 5000	28	0.21	131641	0.78
5001 - 10000	37	0.28	272803	1.64
10001 - above	59	0.44	14469748	86.72
Grand Total	13434	100.00	16685000	100.00

(n) Dematerialization of shares and liquidity:

More than 99.99% shares of the Company are in dematerialized form. The Equity Shares of the Company are compulsorily to be traded in Electronic form through Stock Exchanges. The Equity Shares of the Company are actively traded both on BSE and NSE thus ensure good liquidity for the investors.

There are no ADRs / GDRs / warrants or any convertible instruments issued by the Company.

(o) Work Sites for contracts:

The Company has various work sites across the country and the operations are controlled by respective zonal office and head office.

(p) Address for Correspondence:

For all matters relating to Shares, Annual Reports

Mr. Pankaj S. Chourasia

Company Secretary & Compliance Officer
Shrikant Chambers Phase -II, 5th Floor,
Sion - Trombay Road, Next to R. K. Studio,
Chembur, Mumbai 400071,
Tel: 91 22 3955 9999,
Fax 91 22 2520 1135
E-mail: investor.relations@pratibhagroup.com

(q) Risk Management Framework

The company has in place mechanisms to inform board members about the risk assessment and minimization procedures and periodical reviews to ensure that risk is controlled by the executive management through the means of the properly defined framework.

13. Code of Business conduct and Ethics for Directors and Key Management personnel

The Code of business conduct and ethics for directors and management personnel as adopted by the Board is a comprehensive code applicable to all Directors and key management personnel. The Code has been circulated to all the members of the Board and Key management personnel and the compliance of the same is affirmed by them annually.

The Company has posted the code of conduct on its website www.pratibhagroup.com.

A declaration signed by Managing Director regarding compliance by board members and key management personnel with Code of Conduct is attached herewith.

14. Compliance certificate of the Auditors

Certificate from the Auditors of the Company, M/s. Jayesh Sanghrajka & Co., confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 is attached to this Report.

15. Compliance Officer

Mr. Pankaj S. Chourasia, Company Secretary, is the Compliance Officer of the Company for complying with the requirement of SEBI Regulations and the Listing Agreements with the Stock Exchanges in India.

NON- MANDATORY REQUIREMENTS**1. Maintaining of Chairman's/ Chairperson office by Non-Executive Director:**

No, as the Company has appointed Executive Director as Chairman/Chairperson

2. Term of Office of Non-Executive Directors

Presently, none of the Non - Executive Directors have a term of office exceeding nine years on the Board of the Company

3. Remuneration Committee

The Company has set up Remuneration Committee to determine the packages for executive directors. Please refer to point no. 5 of this report.

4. Shareholders' Rights

The quarterly results of the company are published in one English and one Hindi newspaper, having wide circulation in Maharashtra. Further, the quarterly results are also posted on the website of the company www.pratibhagroup.com. In view of the forgoing, the half yearly results of the company are not sent to the shareholders individually.

5. Audit qualifications

During the period under review, there was no audit qualification in the company's financial statements. The Company continues to adopt the best accounting practices and meticulously follow accounting standards issued by ICAI

6. Training of Board Members about business model and risk profile of the Company and their responsibilities as directors and the best ways to discharge them.

The Company does not have such type of training programme.

7. Mechanism for evaluating non-executive directors

The Company does not have a mechanism for evaluating the performance of Non-Executive Directors.

8. Whistle Blower Policy

The Company has formulated a Whistle Blower Policy and the same has been circulated among the employees of Head Office, Plant and all the projects sites of the Company in three different languages like English, Hindi and Marathi. Further the same has also been posted on the Notice Board of the Company.

The employees of the company are accessible to the senior management for any counseling or consultation.

**Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting.
(Pursuant to Clause 49 of the Listing Agreement)**

ANNEXURE- A

Name of Director	Mrs. Usha B. Kulkarni	Mr. Awinash M. Arondekar
Date of Birth	05 th May, 1935	1 st March, 1942
Date of appointment	Since Inception (19/07/1995)	12 th September, 2005
Areas of Experience	Mrs. Usha B. Kulkarni is Chairperson, 75 years old, has been Director since inception. She is Bachelor in Arts from Pune University. She is well versed with the Administrative skills required for successful operation of business at various levels. She is responsible for general administration of the Company.	Mr. Arondekar is an Independent Director and about aged 68 years He has worked for 38 years in Bank of India at various places including posting in Tokyo, Japan.He retired from Bank of India as General Manager in the year 2001. Currently he is working as Financial Consultant
Educational Qualifications	Graduate in Arts from Pune University	Graduate in Arts and Law and Post Graduate in Financial Management from Bombay University
Companies in which he holds directorship	<ol style="list-style-type: none"> 1. Pratibha Pipes & Structural Limited 2. Pratibha Shareholding Private Limited 4. Pratibha Struct Build Private Limited 5. Elegant Infrastructure and Real Estate Private Limited 	<ol style="list-style-type: none"> 1. Spectra Industries Limited 2. Core Projects & Technologies Limited 3. Core Education Infratech Limited 4. Core Learning Panorama Limited
Membership Chairmanship of Board Committees	Chairperson of Finance Committee of Pratibha Industries Limited.	<ol style="list-style-type: none"> 1. Member of Audit Committee and Remuneration Committee and Chairman of Shareholder Grievance Committee of the Company. 2. Member of Audit Committee and Remuneration Committee of Spectra Industries Limited. 3. Member of Remuneration/Compensation Committee, Shareholders/Investors Grievances Committee and Management Committee and Chairman of Audit Committee of Core Projects and Technologies Limited
Shareholding	26,00,500 Equity Shares	NIL

Name of Director	Mr. Vinayak B. Kulkarni
Date of Birth	24 th February, 1947
Date of appointment	Since Inception (19/07/1995)
Areas of Experience	Mr. Vinayak Kulkarni, 63 years, has been Director since inception. Mr. Kulkarni holds Diploma in Mechanical Engineering. He has extensive experience in the Pre-cast products building units, sites monitoring, project execution etc. He is working as Whole Time Director of the Company.
Educational Qualifications	Diploma in Mechanical Engineering
Companies in which he holds directorship	<ol style="list-style-type: none"> 1. Pratibha Pipes & Structural Limited 2. Pratibha Shareholding Private Limited 3. Muktangan Developers Private Limited 4. Pratibha Struct Build Private Limited 5. Elegant Infrastructure & Real Estate Private Limited
Membership Chairmanship of Board Committees	Member of Finance Committee of Pratibha Industries Limited
Shareholding	19,73,265 Equity Shares (including HUF)

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL
WITH CODE OF CONDUCT**

This is to confirm that the Company has adapted a Code of Conduct for all Board members and senior management of the Company. This code has also been posted on the Company's website.

I confirm that the Company has in respect of the financial year ended 31st March, 2010, received from the senior management team of the Company and the members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, senior management team means the employees employed below the one level of the Board.

Mr. Ajit B Kulkarni
Managing Director

Place : Mumbai
Date : 7th May, 2010

**Auditors' Certificate on Corporate Governance
CERTIFICATE**

To the Members of Pratibha Industries Limited

We have examined the compliance of conditions of corporate governance by Pratibha 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 exchange(s).

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 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 complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance(s) are pending for a period exceeding one month against the company as per the records maintained by the Corporate Secretarial Department and Registrar & Transfer Agent. 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 Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No.107162)
Partner

Place : Mumbai,
Date : 7th May 2010

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure – General

How strong is the infrastructure sector in India – is a question to ponder over amidst the global financial crisis and economic downturn. A lot of economies have adopted the strategy to develop the infrastructural facilities for a fiscal thrust. In these cases, such economies have used infrastructure spending as a counterbalance against slowing economic activity and lower consumption. Adopting this strategy has helped the Indian infrastructure sector perform comparatively better at a time when the other sectors were exhibiting slow or negative growth. Presently, the infrastructure sector in India accounts for 26.7% of India's industrial output and is therefore an effective tool to balance as well boost the economy.

The government also has been focusing on infrastructure spending heavily and the last five years has been worthwhile in this regard. In this context, the infrastructure companies in India also have been faring strongly and have surpassed all expectations.

The total investment in infrastructure in 2006–07 was estimated to be around 5% of GDP. From a macro-economic perspective and taking account of investment in infrastructure in other relatively fast growing countries, it can be argued that the gross capital formation (GCF) in infrastructure should rise as a share of GDP from 5% in 2006–07 to 9% by the end of the Plan period.

As per the estimates of the Planning Commission, the aggregate capital formation in infrastructure required to achieve India's targeted annual average growth in GDP of 9% over the Eleventh Plan period, would have to rise from Rs 259,839 crore in 2007–08 to Rs 574,096 crore in 2011–12 at constant 2006–07 price. Over the Eleventh Plan period, as a whole, this estimate aggregates to Rs 2,011,521 crore or US\$ 502.88 billion (at an exchange rate of Rs 40/\$).

The Union Budget 2010-11, has also continued to lay stress on physical infrastructure development, citing it as one of the key catalysts in maintaining and pump priming the economic growth rate.

The Planning Commission of India has planned extensive expansion in the roads and highways, ports, civil aviation and airports, and power infrastructure segments – all of which provide substantial opportunities for construction companies.

Water Supply & Sewerage

Water supply and sanitation in India continue to be inadequate, despite longstanding efforts by the various levels of government and communities at improving coverage. While the share of those with access to an improved water source is much higher than for sanitation, the quality of service is poor and most users that are counted as having access receive water of dubious quality and only on an intermittent basis.

Most Indians depend on on-site sanitation facilities. Recently, access to on-site sanitation have increased in both rural and urban areas. In rural areas, total sanitation has been successful.

In urban areas, a good practice is the Slum Sanitation Program in Mumbai that has provided access to sanitation for a quarter million slum dwellers.

Airports

The Indian Civil Aviation Sector is in for a major overhaul over the next few years. In the wake of major policy changes taking place (due to a shift in the mindset of the government from considering air travel as elitist to making it available for the common man) and liberalization of air travel services, a sharp increase (5-10% yoy) in air traffic is expected. Major opportunities lie in Modernisation / upgradation of metro airports & subsequently Greenfield airport projects which are planned in resort destinations and emerging metros such as Goa, Pune, Navi Mumbai, Greater Noida and Kanpur etc.

The Government is taking steps to increase participation by private industry. Estimated investment of about Rs. 40,000 crores (US \$ 9 billion) is planned for airport development over the next 5 years.

Roads and highways

India has a vast network of National Highways (NHs) totaling to 34,298 km connecting important towns cities, ports and industrial centres of the country. Industrialization of the country has induced a traffic growth of 8-12 percent per year on many sections of National Highways and this growth trend is expected to continue. The Government estimates around US\$90 billion plus investment is required over FY07-FY12 to improve the country's road infrastructure. Plans announced by the Government to increase investments in road infrastructure would increase funds from around US\$15 billion per year to over US\$23 billion in 2011-12. The quantum of funds invested as part of these programmes will significantly exceed that invested in recent history. Such programmes would be funded via a mix of public and private initiatives.

The Indian Government, via the National Highway Development Program (NHDP), is planning more than 200 projects in NHDP Phase III and V to be bid out, representing around 13,000km of roads. The average project size is expected to be in the range of US\$150 million-US\$200 million. About 53 projects with aggregate length of 3000km and an estimated cost of around US\$8 billion are already at the pre-qualification stage. Many states are also actively planning the development of their highways. While the average size of these projects is smaller than the NHDP projects, most will still be substantial.

Urban infrastructure

Urban infrastructure consists of drinking water, sanitation, sewage systems, electricity and gas distribution, urban transport, primary health services and environmental regulation. Rapid economic growth will inevitably lead to an increase in urbanization as cities provide large economies of agglomeration for individual activity.

The key to sustaining India's growth rate during a global meltdown lies in quality infrastructure. A large number of Indian

cities and towns need adequate quality infrastructure facilities, specifically, in the areas of water management, roads, transportation, housing, sanitation, sewage etc. Keeping this in mind, the government is targeting an investment of US\$ 20.38 billion over the next two years in the infrastructure sector. The scheme aims to take up infrastructure projects under public-private partnership (PPP).

The Government has initiated various initiatives such as allowing 100 per cent FDI in urban infrastructure projects, investment with repatriation benefit in many housing and real estate projects, 100 per cent FDI is permitted for the development of integrated townships, including housing, commercial buildings, hotels, resorts, etc., tax holiday for urban infrastructure projects. This is available to developers, and those carrying out operations and maintenance of water supply, sewerage, sanitation, etc.

Tunneling

With the increase in development work of hydroelectric projects in India, the amount of tunneling work has increased manifold. Besides to achieve time bound programmes of construction of mega projects in a period of four to five years modern methods of tunnel driving are being considered as only solution to achieve a high rate of progress. In 1980s a progress of 75m per face per month was considered as a high rate of progress whereas nowadays even 150m per face per month is not considered as a good progress. Most of the tunnels now under construction are quite long and normal DBM are failing to achieve a high rate of progress. The only solution is use of Tunnel Boring Machine (TBMs) to achieve a time bound programme of tunnel excavation in long reaches. To gain confidence level with TBM working in Indian and Himalayan conditions, the systems are yet to be established. Not many tunnels in India have been bored with TBMs, nevertheless it has proved a success in tunnels in India.

Power

Increased manufacturing activities and a growing population are also causing a surge in power usage. India has the fifth largest electricity grid in the world with 135 GW capacity, and the world's third largest transmission and distribution (T&D) network. Large investments are needed to meet growing demand and provide universal access. The policy and regulatory framework is pro-investment – shifting away from 'negotiated and guaranteed' to 'open and market competition'. An investment of US\$167 billion is projected for electricity projects in the five year period from FY07-FY12. All new awards are through open, competitive bidding. A rush is on to develop new assets, harness natural resources, and attract global finance. Construction companies are considering involvement in the construction of power stations, and T&D networks, particularly if sustainable building and generation technologies can be leveraged. The Indian Government is also looking to encourage the generation of wind and solar power by providing generation-based incentives to those companies who do not claim accelerated depreciation, so Construction companies with experience in building these types of alternative energy projects may find excellent opportunities.

Carbon Credits

Carbon dioxide, the most important greenhouse gas produced by combustion of fuels, has become a cause of global panic as its concentration in the Earth's atmosphere has been rising alarmingly. This was an unimaginable trading opportunity not more than a decade ago. Carbon credits are a part of international emission trading norms. They incentivize companies or countries that emit less carbon. The total annual emissions are capped and the market allocates a monetary value to any shortfall through trading. Businesses can exchange, buy or sell carbon credits in international markets at the prevailing market price. India and China are likely to emerge as the biggest sellers and Europe is going to be the biggest buyers of carbon credits.

Oil & Gas

The oil and gas industry has been instrumental in fuelling the rapid growth of the Indian economy. The petroleum and natural gas sector which includes transportation, refining and marketing of petroleum products and gas constitutes over 15 per cent of the GDP. With Progressive industrialization of the country and growth in GDP, the consumption of petroleum products in the country has also been steadily increasing at more than 7% during the VIIIth plan and the projected growth in POL products in IX Plan is around 7% assuming a GDP growth of 6-7%. From a level of 31MMT during 1980-81, the consumption of petroleum products is expected to be around 81 MMT in 1996-97. The same is expected to go up to 113 MMT in 2001-02 and will further rise to 155 MMT by 2006-07.

In November 2008, the Cabinet Committee on Economic Affairs awarded 44 oil and gas exploration blocks under the seventh round of auction of the New Exploration Licensing Policy (NELP-VII). The overall number of blocks brought under exploration now exceeds 200.

The allocation is likely to bring in investments worth US\$ 1.5 billion, which will open large opportunities for the pipe industries as transport of oil and gas through pipe lines is much cheaper than the surface transport mode.

Opportunities – Specific to Pratibha Industries Limited Infrastructure & Construction

The government is committed to improve infrastructure of the country and has earmarked substantial funds for growth of the sector. With the committed efforts and investment, India is likely to witness next two decades of massive infrastructure activities to meet the increasing needs of a developing nation and a growing population. The rapidly growing urban population and the massive existing shortage of modern housing and commercial space have thus created nearly limitless opportunities making it almost a trillion dollar business opportunity in midterm. The commitment for improved infrastructure will ensure all round development of infrastructure facilities, these includes urban infrastructure, highways, roads, mass housing, airports, irrigation projects, drinking water projects etc. With projects of thousands of Crores in the infrastructure and construction segment, the company poised to benefit substantially. There are few players

to take up jobs in the sector and your company has over a period developed an expertise in executing these projects effectively and efficiently. Further, the company's adaptability to blend with other company of different culture will certainly help the company to form an alliance for executing specialized projects.

Saw Pipes division

The SAW pipes manufacturing unit and recently commissioned state-of-the-art coating plant of the company will ensure the company to tap the tremendous opportunities lies in pipes segment. There is huge requirement for supply of quality pipes for transportation of oil, gas, water and sewerages. Many companies including public sector companies are opting for transportation of the Hydro Carbon through pipe lines as this is most cost effective. These create huge demand of pipes of various diameter and specifications. Considering the current and future prospectus of this business, the company has commissioned its state-of-the-art pipe manufacturing plant. The Company has obtained various certification including prestigious American Petroleum Institute (API) certifications for its manufacturing facilities, these will enable company to meet the qualification criteria of various prospective tenders.

Opportunities

The Company's financial strength, project execution capabilities and strong leadership skills is uniquely poised to effectively avail of all opportunities and create new ones going forward.

With the ever increasing demand for improved urban infrastructure, the Company's foray into the construction of quality urban infrastructure will contribute significantly to value creation. The Company is committed to allocate resources towards the diverse execution segments. In addition to the development of water segment, the company will continue its ongoing efforts of exploration other diverse and varied activities

With growing thrust for infrastructure, changing environment norms and fast pace of change of mind sets nationwide, the infrastructure segment continues to throw exciting opportunities for the company.

In addition to the internal strengths, the company has unique quality to forge strategic alliance with other players whether local or global. This has resulted into many successful associations with many major players in infrastructure and pipe segments.

Adequacy of Internal Control

Your Company has appropriate internal control system for business processes, with regards to efficiency of operations, financial reporting, compliance with applicable laws and regulations. Clearly defined roles and responsibilities down the line for all managerial positions have been institutionalized. All operating parameters are monitored and controlled. Regular internal audits and checks ensure that responsibilities are executed effectively. The audit committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them, from time to time.

The Company has an exhaustive budgetary control system and the management regularly reviews actual performance. The Company has also put in place a well-defined organisation structure, clear authority levels and detailed internal guidelines for conducting business transactions. The Company has a concurrent internal audit system to ensure adequacy of the control system, adherence to management instructions and legal compliances. Audit plans are prepared in advance based on risk assessment. Internal audit also conducts reviews to ensure implementation of its recommendations and suggestions. The Audit committee of the Board of Directors periodically review the audit plans, observations and recommendations of the internal and external auditors with reference to significant risk areas and adequacy of internal controls.

As per the clause 49 of the listing agreement with the stock exchanges, the management has established adequate internal control procedures over financial reporting.

Risk and Concerns

The company has developed built-in procedures and practices to effectively mitigate the adverse affects of the risks involved in the business and has laid down procedures for handling risks in carrying out the business to the best advantage of all stakeholders and to improve the shareholder value and to ensure continuity of business.

Risk Management

The company is committed to high standards of business conduct and the risk management with a view to

- Protect the Company's assets
- Achieve sustainable business growth
- Avoid major surprises related to the overall control environment
- Safeguard shareholder investment; and
- Ensure compliance with applicable legal and regulatory requirements

In order to improve upon the prevalent practices of monitoring the risk environment through the Project Monitoring Cell (PMC) which reports to the Management Committee comprises of Managing Director, Chief Operating Officer, Chief Operating Officer -Commercial and President (Project Execution), the Company also engaged the professional services of external agencies, wherever required, and documented and taken requisite action to mitigate the various risks involved and developed a structure for systematic management of the various risks. In the process risk mitigation and the de-risking strategy is developed covering all the environmental, regulatory, economic, operational, financial, technical and legal & statutory risks.

Human Resources and Industrial Relations

To meet the ambitious growth plans of the company, a structured organization with succession planning and strategies for development of the required technical and managerial skills within the organization are being developed. The Company is deputing its personnel for various training programs in established institutions besides in house training so as to improve the managerial and technical skill sets.

Your company is following the most favorable human resource policy as prevailing in the industry. The Company believes in peaceful and harmonious relationship with the personnel of all the levels to achieve the targeted goal of the company. Your Company is firmly believes into involvement of personnel into decision making process of the Company. The Company continues to provide growth opportunities to its employees by way of training workshop and by that way to retain efficient and talented employees in the Company.

You company following highest level of safety measures for the its most precious assets i.e. human beings. The company is also having a well defined policy for environmental safety.

Occupational Health, Safety and Environment Management are given the utmost importance in your Company. There is in place a well defined in-house training program for its employees to upgrade their operating skills. The relations between the Company and the employees were cordial and the Company experienced peace and harmony throughout the year. The Company has well defined policy to recruit qualified with proven track record professionals in operations and business development, which would provide able support to management in its endeavor to scale greater heights.

Conclusion

To conclude, your Company has delivered very healthy and

historic performance, particularly viewed in the backdrop of the challenging environment the entire Industry faced during the year under discussion. The outlook appears bright on the back of growth initiatives planned in the pipe manufacturing business and the positive outlook for the Infrastructure business.

Cautionary Statement

Statement in this Management Discussion and Analysis report regarding the Company's objective, projections about the future, estimates, expectations or predictions including, but not limited to, statements about the Company's strategy for growth, products development, market position and expenditures may be "forward – looking statements" within the meaning of applicable securities laws and regulations.

Actual performance could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates or changes in the Government regulations, tax laws and other statues or other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

AUDITORS' REPORT

TO THE MEMBERS OF **PRATIBHA INDUSTRIES LIMITED**

We have audited the attached Balance Sheet of **Pratibha Industries Limited** as at 31st March 2010, the Profit and Loss Account for the year ended on that date and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956 to the extent applicable;
- e) In our opinion, and based on information and explanations given to us, none of the directors are disqualified as on 31st March 2010 from being appointed as directors in terms of clause (g) of subsection (1) of section 274 of the Companies Act 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India:
 - (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March 2010;
 - (ii) In so far as it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - (iii) In the case of the Cash Flows Statement, of the Cash Flows for the year ended on that date.

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
M.No. 107162
Partner

Place : Mumbai,
Date : 7th May 2010.

ANNEXURE TO AUDITORS' REPORT

Referred to in Paragraph 2 of our report of even date

1. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. According to the information and explanation given to us, the Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
 - 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 in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - b. Transactions aggregating during the year to Rs. 5,00,000/- or more in respect of each party, have been made at prices which are reasonable having regard to prevailing market prices for such goods and materials available with the Company or prices at which transactions for similar goods have been made with other parties at the relevant time.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. We have broadly reviewed, without carrying out a detailed examination, the books of accounts maintained by the company pursuant to the Order made by the Central Government for the maintenance of the cost records under Section 209(1)(d) of the Companies Act 1956 in respect of Steel Pipes and are of the opinion that prima facie the prescribed accounts and prescribed records have been maintained.
9. In respect of statutory dues:
 - a. In our opinion & according to the information and explanation given to us, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2010 for a period of more than six months from the date of becoming payable.
 - b. In our opinion & according to the information and explanation given to us, except income tax dues, there are no other disputed statutory dues pending to be deposited as on 31.03.2010.

Amount dues	F.Y.	Forum where dispute is pending
12,26,848	2000-2001	ITAT, Mumbai
15,25,573	2001-2002	ITAT, Mumbai
41,92,989	2002-2003	ITAT, Mumbai
79,54,107	2003-2004	ITAT, Mumbai
97,72,499	2004-2005	ITAT, Mumbai
1,79,50,136	2005-2006	ITAT, Mumbai
5,58,13,082	2006-2007	CIT (Appeal), Mumbai
6,53,17,438	2007-2008	CIT (Appeal), Mumbai

10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not

applicable to the Company.

14. In our opinion, the company has maintained proper records showing complete details all the transactions and contracts of investments and timely entries have been made therein. All the investments have been held in the name of the Company.
15. The Company has given guarantees for loans taken from banks or financial institutions by its Joint Ventures & its JV partner, M/s. Niraj Cement & Structural Ltd. According to the information and explanations given to us, the terms and conditions thereof are not prima-facie prejudicial to the interests of the Company.
16. The Company has used term loans for the purposes for which they were raised.
17. On the basis of an overall examination of the Balance Sheet of the company, in our opinion, there are no funds raised on a short-term basis, which have been used for long term purposes and vice versa.
18. During the period, the Company has not made any preferential allotment of shares to parties and companies

covered in the Register maintained under Section 301 of the Companies Act, 1956.

19. The Company has not issued any debentures.
20. During the year, the company has not raised money by public issue.
21. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
M.No. 107162
Partner

Place : Mumbai
Date : 7th May 2010

BALANCE SHEET AS AT 31ST MARCH 2010

Particulars	Schedule	As at 31.03.2010	As at 31.03.2009
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	A	166,850,000	166,850,000
Reserves & Surplus	B	2,586,918,535	2,080,353,810
		2,753,768,535	2,247,203,810
Deferred Tax Liability		131,104,529	61,701,302
Loan Funds			
Secured Loans	C	2,930,037,302	2,053,809,801
Unsecured Loans	D	1,300,000,000	300,000,000
		4,230,037,302	2,353,809,801
TOTAL		7,114,910,366	4,662,714,913
APPLICATIONS OF FUNDS			
Fixed Assets			
Gross Block	E	2,922,213,590	1,580,826,669
Less: Depreciation		233,642,887	125,772,333
Net Block		2,688,570,703	1,455,054,336
Capital Work In Progress		113,657,066	491,113,256
Investments	F	136,223,400	148,431,977
Current Assets, Loans & Advances			
Inventories	G	2,938,638,101	1,761,900,229
Sundry Debtors	H	1,858,703,580	1,274,425,383
Cash & Bank Balance	I	617,044,018	692,225,548
Loans, Advances & Deposits	J	2,546,122,101	1,312,345,600
		7,960,507,800	5,040,896,760
Less: Current Liabilities & Provisions			
Sundry Creditors	K	1,917,577,061	1,456,829,830
Other Liabilities & Provisions	L	434,188,503	244,869,069
Advances & Deposits	M	1,432,283,037	771,082,517
		3,784,048,602	2,472,781,416
Working Capital		4,176,459,198	2,568,115,343
Misc. Exp. (to the extent not w/off)		-	-
TOTAL		7,114,910,366	4,662,714,913

Significant Accounting Policies & Notes to Accounts S

Schedules referred above & notes to the Account forms an integral part of Balance Sheet & Profit & Loss A/c.

As per our report of even Date

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No. 107162)
Partner

Place : Mumbai
Date : 07th May, 2010

For Pratibha Industries Limited

Usha B Kulkarni Ajit B Kulkarni
Chairperson Managing Director

Vinayak B Kulkarni Pankaj S Chourasia
Whole Time Director Company Secretary

Place : Mumbai
Date : 07th May, 2010

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED ON 31ST MARCH 2010

Particulars	Schedule	Financial Year Ended 31.03.2010	Financial Year Ended 31.03.2009
Income			
Gross Sales & Other incomes from Operations		9,342,649,917	7,486,315,268
Less: Excise Duty		44,345,213	23,815,921
Net Sales & Other incomes from Operations		9,298,304,704	7,462,499,347
Other Income	N	50,753,799	115,273,012
		9,349,058,503	7,577,772,359
Expenses			
Cost of Work Done	O	6,554,237,379	5,789,133,128
Personnel Expenses	P	459,319,407	305,240,782
Administrative, Selling & Other Expenses	Q	969,338,153	556,275,377
Finance Expenses	R	493,101,632	317,700,381
Depreciation	E	108,591,915	59,009,695
		8,584,588,486	7,027,359,364
Profit Before Tax		764,470,019	550,412,995
<u>Provision For Taxation</u>			
Current Tax		129,921,680	54,280,347
Deferred Tax		69,403,227	43,890,320
Fringe Benefit Tax		-	5,747,178
Short/Excess Tax Provision of Earlier Years		18,539	(780,889)
Profit After Tax and Available for Appropriation		565,126,573	447,276,039
Proposed Dividend		50,055,000	33,370,000
Corporate Dividend Tax		8,506,847	5,671,232
General Reserve		57,000,000	35,000,000
Balance Carried forward to Balance Sheet		449,564,726	373,234,807
Closing Number of shares		16,685,000	16,685,000
Weighted Average Number of shares		16,685,000	16,685,000
Basic & Diluted Earning Per Share		33.87	26.81
Diluted Earning Per Share		33.87	26.81

Significant Accounting Policies & Notes to Accounts S

Schedules referred above & notes to the Account forms an integral part of Balance Sheet & Profit & Loss A/c.

As per our report of even Date

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No. 107162)
Partner

Place : Mumbai
Date : 07th May, 2010

For Pratibha Industries Limited

Usha B Kulkarni Ajit B Kulkarni
Chairperson Managing Director

Vinayak B Kulkarni Pankaj S Chourasia
Whole Time Director Company Secretary

Place : Mumbai
Date : 07th May, 2010

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET
AS AT 31ST MARCH 2010**

PARTICULARS	As At 31.03.2010	As At 31.03.2009
SCHEDULE: A : SHARE CAPITAL		
Authorised Capital		
25000000 Equity Shares of Rs 10/- Each (P.Y. 25000000 Equity Shares of Rs.10/- Each)	250,000,000	250,000,000
Issued,Subscribed & Fully Paid Up		
16685000 Equity Shares of Rs.10/- Each (P.Y. 16685000 Equity Shares Of Rs.10/- Each) (Of the above 8000000 shares have been issued as Bonus shares as on 21.06.2005 being issued for consideration other than cash) (2400000 shares have been issued to two SEBI registered Qualified Institutional Buyers on 19.12.2007)	166,850,000	166,850,000
Total	166,850,000	166,850,000
SCHEDULE: B : RESERVES & SURPLUS		
Profit & Loss Account		
Opening Balance	994,382,074	621,147,267
Addition During Period	449,564,726	373,234,807
(A)	1,443,946,799	994,382,074
Security Premium Account		
Opening Balance	990,971,736	990,971,736
Addition During Period	-	-
Less:Deduction during the Year	-	-
(B)	990,971,736	990,971,736
General Reserve		
Opening Balance	95,000,000	60,000,000
Addition During Period	57,000,000	35,000,000
Less:Deduction during the Year	-	-
(C)	152,000,000	95,000,000
Total (A) + (B) + (C)	2,586,918,535	2,080,353,810

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET
AS AT 31ST MARCH 2010**

PARTICULARS	As At 31.03.2010	As At 31.03.2009
SCHEDULE: C : SECURED LOANS		
Loans for Property, Vehicles & Construction Equipments (For Security See Note (a) below)	736,625,916	355,605,004
<i>Working Capital Finance from consortium of banks (net)</i>		
Infrastructure Division	734,535,175	319,421,254
Saw Pipe Manufacturing Division (For Security See Note (b) below)	92,498,133	84,214,071
Project - Specific Finance (For Security See Note (c) below)	1,015,984,835	757,479,961
Buyer's Credit Facility	-	338,401,455
Term Loan (For Security See Note (d) below)	350,393,243	198,688,057
Total	2,930,037,302	2,053,809,801

- a. Secured by mortgage / hypothecation of specific assets / vehicle purchased.
- b. Secured against (a) Infrastructure Division – (i) first charge by hypothecation of current assets (other than those specifically charged to other banks), namely stock of raw materials, work-in-progress and receivables, (ii) first charge on the gross block (other than those specifically charged to other banks) and (iii) personal guarantees of Promoter-Directors of the Company; (b) SAW Pipe Division – (i) first charge by hypothecation of current assets of SAW Pipe Division, namely stock of raw materials, work-in-progress and receivables, (ii) second charge on the gross block of SAW Pipe Division (other than those specifically charged to other banks) and (iii) personal guarantees of Promoter-Directors of the Company.
- c. Project – Specific Finance represent (i) Cash credit facility availed against project - specific current assets for executing “Lakshmi Nagar and Dwarka” Water Pipeline Project of DJB, New Delhi (ii) cash credit facility availed against project - specific current assets for executing “Mauda Supar Thermal Power Project” of NTPC (iii) cash credit facility availed against project-specific current assets for executing “Multi level car parking at New Friends Colony, Kalkaji and Jangpura,” of Municipal Corporation of Delhi (iv) cash credit facility availed against project-specific current assets for executing Water Supply Network in NMMC area under JNNRUM of NMMC. (v) Project Specific finance availed against Securitization of future receivable of “Tansa Project” (vi) Project Specific finance availed against Securitization of receivable of “NMMC Project”. Above facilities are further secured by personal guarantee of Promoters-Directors.
- d. Term Loan represents credit availed for purchase of capital equipments for SAW Pipe Division secured by (i) hypothecation of movable assets (excluding current assets) and mortgage of immovable assets of SAW Pipe Division and (ii) personal guarantee of promoters - Directors of the Company.

PARTICULARS	As At 31.03.2010	As At 31.03.2009
SCHEDULE : D : UNSECURED LOANS		
From Banks & Financial Institutions	1,300,000,000	300,000,000
Total	1,300,000,000	300,000,000

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2010

SCHEDULE : E : FIXED ASSETS AS AT 31.03.2010

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as on 01.04.2009	Addition	Sale/ Transfers/ Impairment	As on 31.03.2010	As on 01.04.2009	For The Period	On Sale/ Transfers	As on 31.03.2010	As on 31.03.2010	As on 31.03.2009
1	Office Premises	62,734,115	357,615,900	-	420,350,015	3,230,069	1,353,435	-	4,583,504	415,766,511	59,504,046
2	Plant & Machinery	1,123,632,231	566,159,284	-	1,689,791,515	74,107,262	68,781,454	-	142,888,716	1,546,902,799	1,049,524,969
3	Furniture & Fixture	34,962,083	15,544,407	-	50,506,490	5,627,602	2,463,223	-	8,090,825	42,415,665	29,334,481
4	Electrical Installation	57,975,795	14,175,325	-	72,151,120	4,618,413	3,251,753	-	7,870,166	64,280,954	53,357,382
5	Office Equipment	29,230,740	22,142,503	-	51,373,243	5,560,242	4,382,449	-	9,942,691	41,430,552	23,670,498
6	Vehicles	105,694,645	39,932,123	360,126	145,266,642	24,390,472	11,042,193	251,669	35,180,996	110,085,646	81,304,173
7	Computer Software	8,600,329	111,188,060	-	19,788,389	1,937,017	2,703,023	-	4,640,040	15,148,349	6,663,312
8	Factory Building	148,533,023	291,543,206	469,692	439,606,537	6,301,256	14,614,385	469,692	20,445,949	419,160,588	142,231,767
9	Land	9,463,708	23,915,930	-	33,379,638	-	-	-	-	33,379,638	9,463,708
	Total	1,580,826,669	1,342,216,738	829,818	2,922,213,590	125,772,333	108,591,915	721,361	233,642,887	2,688,570,703	1,455,054,336
	Previous Year	975,660,853	606,617,763	1,451,946	1,580,826,669	67,166,417	59,009,695	403,779	125,772,333	1,455,054,336	908,494,436

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET
AS AT 31ST MARCH 2010**

PARTICULARS	As At 31.03.2010	As At 31.03.2009
SCHEDULE: F : INVESTMENTS		
Trade Unquoted		
2,660 Equity Shares of Abhyudaya Co Op. Bank Ltd	26,600	26,600
100,100 Equity Shares of Janakalyan Sahakari Bank Ltd	1,001,000	501,000
2,00,000 Equity Shares of Muktangan Developers Pvt. Ltd.	2,000,000	2,000,000
10,000 Equity Shares of Pratibha Infrastructure Pvt. Ltd.	18,866	18,866
5 Equity shares of the Greater Bombay Co-op. Bank Ltd.	25	25
5,000 Equity shares of Pratibha Ostu Stetting Infra. P. Ltd.	50,000	50,000
10,00,000 Equity shares of Prime Infrapark Pvt. Ltd.	10,000,000	—
Pratibha Industries General Contracting LLC	931,980	—
Non-Trade Quoted		
Investment in Gold Coins (Market Value Rs.130560/- P.Y. Rs. 121,400/-)	43,911	43,911
Investment in Mutual Fund (Market Value Rs. 50370575/- P.Y. Rs. NIL/-)	50,001,929	—
Investment in Joint Ventures and Partnership Firms	72,149,089	145,791,575
Total	136,223,400	148,431,977
Aggregate Value of		
Quoted Investments	50,045,840	43,911
Market Value - Quoted Investments	50,501,135	121,400
Un Quoted Investments	86,177,560	148,388,066
SCHEDULE : G : INVENTORIES		
Raw Material	799,884,572	671,863,385
Consumable Stores	69,618,147	9,914,061
Work In Progress	2,026,252,242	1,028,126,787
Finished Stock (As per Inventories certified and valued by the Management)	42,883,140	51,995,996
Total	2,938,638,101	1,761,900,229
SCHEDULE : H : SUNDRY DEBTORS		
(Unsecured, Considered good)		
Debts outstanding for a period exceeding 6 months	332,163,626	80,041,212
Other Debtors	1,266,742,657	772,413,186
Project Specific Debts	259,797,296	421,970,985
Total	1,858,703,580	1,274,425,383
SCHEDULE : I : CASH & BANK BALANCE		
Cash in hand	4,945,920	5,752,094
Balance with Banks		
In Current Account of Scheduled Banks	70,999,044	34,385,641
In Term Deposit of Scheduled Banks	541,099,054	652,087,813
Total	617,044,018	692,225,548

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET
AS AT 31ST MARCH 2010**

PARTICULARS	As At 31.03.2010	As At 31.03.2009
SCHEDULE : J : LOANS, ADVANCES & DEPOSITS		
Advance to Pratibha Infrastructure Pvt. Ltd.	116,552	108,507
Advance to Prime Infrapark Pvt. Ltd.	90,773,374	-
Advance to Pratibha Industries General Contracting LLC	414,013	-
Advance to Pratibha Osttu-Stettin Infrastructure Pvt Ltd	254,360	252,240
Advances to Suppliers	141,374,768	212,355,786
Excise Balance	92,533,783	73,650,582
Interest Accrued But Not Due	25,963,553	34,250,737
Loans and Advances to staff	2,203,123	1,264,396
Mobilisation Advances given	41,905,046	10,188,305
Other Advances	820,085,378	260,110,922
Other Deposits	782,925,884	370,395,679
Prepaid Expenses	74,993,372	53,756,974
Service Tax Credit Available	17,938,597	9,033,682
Tax Deducted At Source And Advance Tax	419,678,918	256,789,946
VAT Credit Available	34,961,380	30,187,845
Total	2,546,122,101	1,312,345,600
SCHEDULE : K : CREDITORS		
Creditors under Letter of credit (Security as mentioned in the Schedule C, point b)	520,915,236	552,108,184
Creditors under Purchase Bill Discounting	537,555,391	147,986,113
Other Sundry Creditors	859,106,434	756,735,534
Total	1,917,577,061	1,456,829,830
SCHEDULE : L : OTHER LIABILITIES & PROVISIONS		
Proposed Dividend	50,055,000	33,370,000
Provision for Cess Tax	-	56,895
Corporate Dividend Tax Payable	8,506,847	5,671,232
Director's Remuneration Payable	8,666,067	12,531,343
Provision for ESIC & Provident Fund	1,269,126	234,183
Provision for Expenses & Other Liabilities	14,138,033	6,252,199
Fringe Benefit Tax Payable	-	2,249,646
Gratuity & Other Employee Benefit Payable	4,014,130	4,835,157
Provision for Income Tax	246,386,732	116,465,052
Provision for Interest on loan accrued but not due	982,981	4,256,453
Provision for Professional Tax	339,094	213,010
Provision for Salary & Wages	34,252,301	21,032,720
Provision for Service Tax	30,387,530	12,906,368
Provision for Works Contract Tax	20,115,560	1,113,422
TDS Payable (Including Interest thereon)	14,629,711	23,460,927
Unpaid Dividend	445,392	220,462
Total	434,188,503	244,869,069
SCHEDULE : M : ADVANCES & DEPOSITS		
Mobilisation Advance	1,253,827,294	595,550,684
Secured Advance	31,775,476	86,924,006
Security Deposit	146,680,267	88,607,827
Total	1,432,283,037	771,082,517

**SCHEDULES ANNEXED TO AND FORMING PART OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2010**

PARTICULARS	Financial Year Ended 31.03.2010	Financial Year Ended 31.03.2009
SCHEDULE: N : OTHER INCOME		
DEPB Entitlement	415,600	7,514,721
Dividend Received	-	30
Foreign Exchange Fluctuation Gain	30,337,129	-
Profit on Redemption of Mutual Funds	1,928	34,161,011
Sale of Scrap	19,999,142	8,002,431
Share of Profit from Partnership and JV	-	65,594,819
Total	50,753,799	115,273,012
SCHEDULE: O : COST OF WORK DONE		
Opening Stock	1,761,900,229	1,560,384,122
Add : Purchases	4,872,132,595	4,069,656,113
Add : Direct Expenses	2,858,842,656	1,920,993,123
	9,492,875,480	7,551,033,357
Less : Closing Stock	2,938,638,101	1,761,900,229
Total	6,554,237,379	5,789,133,128
SCHEDULE: P : PERSONNEL EXPENSES		
Contribution to PF, ESIC, Gratuity etc.	9,524,617	7,848,886
Director's medical expenses	857,793	225,566
Director's Remuneration	24,000,800	31,063,562
Director's Sitting Fees	632,875	250,000
Insurance Charges (Key man)	573,859	767,364
Salaries and wages	395,203,576	244,312,402
Staff welfare expenses	28,525,887	20,773,002
Total	459,319,407	305,240,782

**SCHEDULES ANNEXED TO AND FORMING PART OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2010**

PARTICULARS	Financial Year Ended 31.03.2010	Financial Year Ended 31.03.2009
SCHEDULE: Q : ADMINISTRATIVE, SELLING & OTHER EXPS.		
Advertisement Expenses	2,585,527	3,904,824
Auditors Remuneration	1,175,000	1,000,000
Carriage Outward	79,543,325	25,012,699
Commission & Brokerage Expenses	2,268,822	975,150
Computer & Software Expenses	3,896,611	2,352,546
Donation	11,305,411	1,725,361
Electricity Charges	37,776,674	11,879,668
Fees & Subscription	1,643,321	1,646,731
Foreign Exchange Fluctuation Loss	-	1,690,897
Insurance	32,207,480	13,719,030
Legal Fees & Professional Charges	95,432,025	74,449,257
Listing Fees	75,000	75,000
Loss of Subsidiary Company	-	14,179
Loss on Sale of Fixed Assets	62,457	318,044
Loss on Securitisation	65,600,458	35,263,000
Pooja & Festival Expenses	2,684,796	2,308,392
Postage & Telegram and Telephone Charges	13,642,832	8,961,029
Printing & Stationery	11,215,791	6,808,932
Rates & Taxes	347,347,684	234,130,880
Registration Fees	1,900,377	249,183
Rent	43,763,778	23,396,829
Repair & Maintenance - Office	6,553,107	5,118,607
Royalty Expenses	2,234,578	3,884,670
Sales Promotion	37,985,444	28,652,780
Security Service Charges	12,202,290	7,308,181
Service Charges	498,054	1,756,313
Sundry Expenses	1,312,737	146,224
Tender Expenses	7,704,301	2,512,963
Travelling Expenses	27,534,289	19,546,497
Vehicle Expenses	46,183,637	37,467,512
Share of Profit from Partnership and JV	73,002,347	-
Total	969,338,153	556,275,377
SCHEDULE: R : FINANCE EXPENSES		
Bank Charges & Commission	25,870,153	17,788,429
Bank Commission (BG/LC)	53,717,057	65,259,659
Banking Cash Transaction Tax	12,574	109,912
Bills Discounting Charges	55,841,122	62,953,464
Interest on Finance for Vehicles & Construction Equipments	84,899,216	17,598,465
Interest on Mobilisation	39,269,490	21,925,331
Interest Paid (Bank)	283,867,846	191,828,377
Less: Interest Received From Banks	(50,375,827)	(59,763,256)
Total	493,101,632	317,700,381

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

SCHEDULE 'S' :

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements are prepared to comply with the requirement of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and Generally Accepted Accounting Principles (GAAP) in India under historical cost convention. GAAP comprise of mandatory accounting standards as specified by the Companies (Accounting Standard Rules), 2006 issued by the Central Government and the relevant provisions of The Companies Act, 1956 to the extent applicable.

The presentation of financial statements in accordance with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Any difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

B. Fixed Assets and depreciation

Fixed Assets are stated at cost less accumulated depreciation. Cost includes inward freights, duties and taxes to the extent credit is not available and incidental expenses incidental to acquisition and installation. Fixed assets purchased in foreign currency are recorded at the actual rupee cost incurred. Cost of fixed assets also includes exchange differences arising, for period upto the date of readiness of their use, in respect of foreign currency loans or other liabilities incurred for the purpose of its acquisition. There has been no revaluation of fixed assets and no assets have been acquired on hire purchase basis during the period.

Capital Work-In-Progress is stated at the amount expended upto the date of Balance Sheet including preoperative expenditure.

Cost of Software includes license fees, cost of implementation and system integration and capitalized as intangible assets in the year in which the relevant software is put to use.

Depreciation on fixed assets have been provided on Straight Line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. For addition and disposals, depreciation is provided on pro-rata for the year of use.

Computer software is amortized over a period of five years.

C. Foreign Currency Transactions

Indian Operation:

- a) Foreign exchange transactions are converted into Indian rupees at the prevailing rate on the date of the transaction.

- b) All Monetary assets and monetary liabilities are converted at the exchange rate prevailing on the date of balance sheet.
- c) Gains or losses arising out of remittance / conversion at the year-end are credited / debited to the profit and loss account for the year.
- d) Gains & losses in respect of foreign exchange contracts are recognized as income or expenses over the life of the contract.

Foreign Branch Office Operation

- e) Income and expenses other than depreciation costs are translated at the rate prevailing on the date of transaction.
- f) Foreign Currency denominated monetary assets and liabilities are translated at the rate prevailing on the balance sheet.
- g) Fixed Assets are translated at exchange rates on the date of transaction and depreciation on fixed asset is translated at the exchange rate used for translating underlying fixed asset.

As on 31st March 2010, there is no Mark-to-Market loss on account of derivative forward exchange contract.

D. Investments

- a) Current investments are carried at the lower of cost and quoted/fair value, computed category wise.
- b) Investments, intended to be held for more than a year, from the date of acquisition, are classified as long-term & they are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

E. Inventories

Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing them to their respective present location and condition. The FIFO method is being followed for arriving at cost.

- a) Raw materials are valued at lower of cost or net realizable value.
- b) The value of contracts, irrespective of whether the progress of work is below or at the reasonable extent is valued at estimated cost consisting of the costs that relate directly and that which can be allocated to the specific contract.
- c) Work-in-progress (other than project and construction related) at lower of cost including related overheads or net realizable value. Project and construction-related work-in-progress at cost till such time the outcome of the job cannot be ascertained reliably and at realizable value thereafter. Site mobilization expenditure of incomplete contracts is stated at cost.
- d) Stores, spares and Fuel are carried at cost.
- e) Purchase goods and raw materials in transit are carried at cost.

- f) Finished goods are valued at cost, which includes cost of purchase, cost of conversion and other overhead incurred in bringing the inventory to its present location and condition.

F. Revenue Recognition:

- a) Construction Contract Sales:

The Company follows the percentage completion method, on the basis of physical measurement of work actually completed at the balance sheet date, taking into account the contractual price and revision thereto by estimating total revenue and total cost till completion of the contract and the profit so determined has been accounted for proportionate to the percentage of the actual work done. Profit is recognized and taken as the revenue of the year only when the work on the contract has progressed to a reasonable extent. Foreseeable losses are accounted for as and when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration.

- b) Claim for Extra Work and Escalation:

The Company's claim for extra work and escalation in rates relating to execution of contracts are accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance received.

- c) Sales recognition:

1. Sales are accounted net of excise duty, Sales Tax, Discount, Returns and Rejections. Sales are recognized on dispatch of material from the factory of the company.
2. Export Sales are recognized on dispatch of material from the premises of the Company irrespective of the date of shipping document.
3. Input VAT credit not utilized against current year's Output VAT liability is available for either refund or set-off in future. Therefore, all the transactions involving VAT are accounted net of tax and the balance in Value added tax account is included under the head recoverable from Tax department under Loans and Advances.

- d) Profit on sale of investment is recognized on transfer of title from the company and is determined as the difference between the sale price and carrying value of the Investment.

- e) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

- f) Export Benefits / incentives, interest and other incomes are accounted on accrual basis except Dividend, which is accounted in the year of receipt.

G. Recognition of Expenditure:

- a) Employee Retirement Benefit and other benefits:

Contribution to defined contribution scheme such as Provident Fund, Employees Pension Scheme, are charged to the Profit & Loss Account as incurred.

Defined benefit plans like gratuity are determined based on actuarial valuation carried out by an independent actuary at the balance sheet date using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit, and measures each unit separately to build up final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities at the balance sheet date. Actuarial gains and losses are recognized immediately in the profit and loss account. The Company has taken comprehensive policy from the Life Insurance Corporation of India for its Gratuity liability.

Expenses on training, recruitment are charged to revenue in the year of incurrence.

Expenditure on leave travel concession to employees is recognized in the year of availment due to uncertainties of accrual.

Leave encashment is provided on actual basis. Expenditure on leave travel concession to employees is recognized in the year of availment.

- b) Taxes on Income:

The amount of current tax is determined as the amount of tax payable in respect of taxable income for the year as per the provisions of the Income Tax Act, 1961 applicable to the current financial year, in consultation with the tax experts, and in accordance with the "Guidance Note on Accounting of Taxes under section 115JB of the Income Tax Act 1961" issued by ICAI.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax Liability has arisen only because of Depreciation.

- c) Sales Tax on Works Contracts:

Where the Company has contractual right to claim equal amounts regarding the said liability from the clients, the same is not charged as expenditure.

Where the ultimate liability would be on the Company, the same is accounted for provisionally as per the information and the final adjustment for the same would be done as and when the demand from concerned authorities is made on the company. During the year under review sales tax expenses also include amount paid on account of assessment order received during the year.

H. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. All other borrowings costs are expensed out.

I. Provisions, Contingent Liabilities & Contingent Assets:

The company creates a provision when there is present obligation because of a past event that will probably result in the outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

Contingent Liabilities are disclosed when there is a possible obligation or a present obligation but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that inflow of economic benefit will arise, the asset and related income are recognized in the period in which such change occur.

J. Leases:

There are no assets taken on finance lease. Lease arrangements, where the risk and rewards incidental to the ownership of asset substantially vests with the lessor are recognized as operating lease. Lease payments under operating leases are recognized as an expense in the Profit and Loss Account. Assets leased out under operating leases are capitalized. Rental income is recognized on accrual basis over the lease term.

K. Segment Accounting

- a) Segment accounting policies
Segment accounting policies are in line with the

accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- i. Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter-segment revenue.
 - ii. Expenses that are directly identifiable with/ allocable to segments are considered for determining the Segment Result. Expenses, which relate to the Company as a whole and not allocable to segments are included under "Unallocable Corporate Expenditure".
 - iii. Income which relates to the Company as a whole and not allocable to segments is included in "Unallocable Corporate Income".
 - iv. Segment result includes margins on inter-segment transactions, which are reduced in arriving at the profit before tax of the Company.
 - v. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.
- (b) Inter-segment transfer pricing
Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

NOTES ON ACCOUNTS

- 1. In the opinion of the Directors, the Current Assets, Loan and Advances have a value on realization in the ordinary course of the business, which is at least equal to the amount at which they are stated in the balance sheet.

2. Contingent Liabilities:

Particulars	(Rs. in Lakhs)	
	As at 31.03.2010	As at 31.03.2009
a) Unutilized Letters of Credit with Bankers		
- Domestic	5099.03	3990.00
- Foreign	1211.89	299.90
b) Bank Guarantee	69565.20	32494.83
c) Corporate Guarantee	6721.00	9289.00
d) Securitization of receivable and not realized (Secured by hypothecation of receivable from NMMC)	—	7275.50
e) Estimated amounts of contract remaining to be executed on Capital Account and not provided for	2458.27	372.66
f) Cases in the court, which in the opinion of the management, require no provision of liability than what is recorded in accounts.	439.89	5.6
g) Income Tax liability (excluding Penalties) that may arise. The Commissioner of Income Tax (Appeal) has allowed the claim of Section 80IA and has passed all the appeal orders in favour of the Company. The Department has filled appeal with ITAT against the orders.	2742.25	1980.03

The Company is of the opinion that claims for performance guarantee related to the projects executed previously will not arise .

3. The following table set out the status of the Gratuity Plan as required under AS-15.

(Rs. in Lakhs)

Particulars	As at 31.03.2010	As at 31.03.2009
Reconciliation of opening and closing balance of present value of the defined benefit obligation and plan assets:		
Obligation at the beginning	67.50	38.10
Interest Cost	5.40	3.05
Service Cost	36.04	14.73
Actuarial (Gain)/Loss	12.69	11.95
Benefit Paid	(0.34)	(0.32)
Obligation at the period end	121.30	67.50
Defined benefit obligation liability as at the Balance Sheet is wholly funded by the company :		
Change in plan assets:		
Fair Value of plan asset at the beginning	30.15	5.62
Expected return on plan assets	2.41	0.45
Actuarial Gain	0.34	1.53
Contribution	48.59	22.87
Benefit paid	(0.34)	(0.32)
Fair Value of plan asset at the end of the year	81.15	30.15
Reconciliation of present value of obligation and fair value of plan asset:		
Fair Value of plan asset at the end of the year	81.15	30.15
Present Value of defined obligation at the end of the period.	121.30	67.50
Liability recognized in the balance sheet	40.14	37.36
Assumptions:		
Interest Rate	8%	8%
Estimated rate of return on plan assets	8%	8%
Gratuity Cost for the period		
Service cost	36.04	14.73
Interest cost	5.40	3.05
Expected return on plan assets	(2.41)	(0.45)
Actuarial (gain)/loss	12.35	10.42
Expense recognized in Profit and Loss Account	51.38	27.75

4. Payment to Auditors

(Rs. in Lakhs)

Particulars	As at 31.03.2010	As at 31.03.2009
a. Audit Fees	10.75	10.03
b. Tax Audit Fees	2.21	1.10
c. In other Capacity	6.89	9.70
	19.85	20.84

(The above figures are inclusive of Service Tax)

5. Managerial Remuneration

(Rs. In Lakhs)

Particulars	2009-10	2008-09
Salary	125.08	126.88
Commission	117.63	180.00
Perquisite and allowances	10.16	2.26
Total	252.80	311.64

The above figures does not include contribution to gratuity fund since the same is provided on actuarial basis for the company as a whole.

Computation of Net Profit U/s. 198 read with 309 (5) of the Companies Act, 1956.

(Rs. In Lakhs)

	31.03.2010	31.03.2009
Profit before tax	7,644.70	5,504.13
Add: Managerial Remuneration	252.80	311.64
Add: Loss on Sale of Fixed Assets	0.62	3.18
Less: Profit on redemption of Investment	0.02	(341.61)
Net Profit for the year	7,898.14	5,477.34
Managerial Remuneration ceiling @ 11%	868.80	602.51
Managerial Remuneration paid	252.80	311.64
Director's sitting fees during the year is Rs. 370,000/- (Previous Year Rs 250,000/-)		

6. Loss on Securitization of receivable:

The Company has entered into an agreement with Reliance Capital Ltd., for securitization of Receivables of Navi Mumbai Municipal Corporation. The Loss on account of securitization has been recognized and shown in the Profit & Loss Account.

- 7.** Investments are carried in the books at cost. The Directors are of the opinion that the investment would realize the invested amount on sale and accordingly no provision for diminution in value is required.
- 8.** Donations made by the Company are within the limits prescribed u/s. 293A of the Companies Act, 1956. Following are the donations given to political parties:

(Rs. in Lakhs)

Name	Amount
Bharatiya Janta Party	55.00
Shiv Sena	30.00
Total	85.00

- 9.** The company has amount due to supplier under The Micro, Small and Medium Enterprises Development Act, 2006, as at 31 March 2010. The disclosure Pursuant to the said Act is as under.

(Rs. in Lakhs)

Particulars	Amount
Principal Amount due	22.92
Interest due	Nil
Payment made to the supplier beyond the appointed date	Nil
Interest paid to the supplier under Section 16 of MSMED Act.	Nil
Interest paid to the supplier other than under Section 16 of MSMED Act.	Nil
Interest due and payable towards supplier under MSMED Act for payments already made.	Nil
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act.	Nil

The information has been given in respect of such vendors to the extent they could be identified as Micro and Small Enterprises based on information available with the company.

- 10.** The management is of the opinion that some of its projects are eligible for tax benefits u/s 80IA of the Income Tax Act 1961.

11. Unclaimed Dividend

The amount of unclaimed dividend lying on Unclaimed Dividend Account is as on 31/03/2010 is Rs. 445,392 (Previous Year Rs. 220,462).

12. Leases:

The company has operating lease agreements, primarily for leasing office space and residential premises for its employees. Most of these lease agreements provide for cancellation by either party with a notice period ranging from 30 days to 120 days and contain a clause for renewal of lease agreement at the option of the company.

There are no non-cancelable operating leases.

13. Related Party Disclosure:

As per the accounting standard 18 prescribed by Companies (Accounting Standards) Rules, 2006, details of related parties & transactions with them are given below:

a. Subsidiaries

Pratibha Infrastructure Pvt. Ltd.	Prime Infrapark Private Limited
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b. Associates & Affiliates :

Pratibha Pipes & Structural Ltd.* Elegant Infrastructure & Real Estate Pvt. Ltd.* Pratibha Ostu-Stettin Infrastructure P. Ltd. Pratibha Industries General Contracting LLC (UAE)	Pratibha Shareholding Pvt. Ltd.* Pratibha Struct Build Pvt. Ltd.* Muktangan Developers Pvt. Ltd.
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(*due to common majority key management personnel)

c. Joint Ventures

Petron Pratibha JV Pratibha Unity JV Pratibha Ostu Stettin JV Pratibha Rohit JV Patel Pratibha JV Pratibha JV KBL PIL Consortium Pratibha China State JV	Unity Pratibha Multimedia JV Niraj Pratibha JV Unity Pratibha Consortium ITD Pratibha Consortium Pratibha Pipes & Structural Consortium Pratibha GIN KJI Consortium Pratibha SMS JV Gammon Pratibha JV
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d. Key Management Personnel:

Mrs. Usha B. Kulkarni Mr. Ajit B. Kulkarni Mr. Vinayak B. Kulkarni Mr. Rohit R. Katyal Mr. Rahul Katyal Mr. Ramakant Jha	Chairperson & Executive Director Managing Director Whole Time Director Whole Time Director Chief Operating Officer Whole Time Director (Not assumed the office)
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e. Relatives of Key Management Personnel:

Samidha Kulkarni Sunanda Kulkarni Sanjay Kulkarni	Wife of Ajit B Kulkarni Daughter in Law of Chairperson Son of Mr. Vinayak Kulkarni
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Disclosure of related party transactions:

(Rs. in Lakhs)

	Subsidiaries	Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel	Associate / Affiliates
Sales & Services	141.22 (0.14)	18202.10 (11852.70)	- -	- -	1307.95 (213.30)
Interest & Other Incomes received / receivable	NIL (NIL)	0.59 (NIL)	- (NIL)	- (NIL)	NIL (NIL)
Purchase of Goods / Payment for other services	NIL (NIL)	NIL (5708.53)	1.14 (NIL)	3.00 (NIL)	9982.35 (6882.98)
Remuneration	- -	- -	273.28 (311.64)	18.00 (18.00)	- -
Sale of Fixed Assets	-	-	-	-	-
Purchase of Fixed Assets	-	-	-	-	-
Loan/Advance given/ (received)	907.73 (NIL)	NIL (NIL)	NIL (NIL)	- -	140.66 (NIL)
Guarantee given/(received)	- -	5682.00 (8368.00)	- -	- -	- -
Investment made/(received)	100.00 (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	9.32 (NIL)

Note: Previous year's figures are given in bracket

Pratibha Industries Limited

Out of the above, transaction with related parties in excess of 10% of the total related party transactions are as under:
(Rs. In Lakhs)

Subsidiaries		
i) Advance given		
Prime Infrapark Pvt. Ltd.		907.73
ii) Investment		
Prime Infrapark Pvt. Ltd.		100.00
Joint Ventures		
i) Sales & Service		
ITD Pratibha Consortium		5413.49
Pratibha China State JV		4386.47
Patel Pratibha JV		4669.40
Pratibha GIN KJI Consortium		2712.20
ii) Guarantees Given		
Niraj Pratibha JV		3462.00
Pratibha Ostu Stettin JV		2220.00
Associate /Affiliates		
i) Purchases of Goods /Payment for other services		
Pratibha Pipes & Structural Limited		9982.35
ii) Advance given/(taken)		
Pratibha Industries General Contracting LLC		140.47
KMP		
i) Remuneration		
Ajit B. Kulkarni		197.47
Rohit Katyal		36.45
Relatives of KMP		
i) Remuneration		
Sanjay Kulkarni		18.00

14. Disclosure as per amendment to clause 32 of the Listing Agreement

(Rs. in Lakhs)

Sr. No	Name of the Parties	Transaction During the Year ended		Outstanding Balance as on	
		31st March 2010	31st March 2009	31st March 2010	31st March 2009
1	Loans / Advance to Subsidiary Co.: Prime Infrapark Pvt. Ltd.	907.73	NIL	907.73	NIL
	Pratibha Infrastructure Pvt. Ltd.	0.08	NIL	1.17	1.08
2	Unsecured Loans where there are no repayment Schedule	NIL	NIL	NIL	NIL

15. Earnings per share:

Sr. No.	Particulars	As on 31.03.2010	As on 31.03.2009
	Basic / Diluted earnings per share		
1	Net Profit attributable to Equity Shareholders (Rs. In Lakhs)	5651.27	4472.76
2	Weighted average number of shares outstanding during the year (Nos. in Lakhs)	166.85	166.85
3	Basic / Diluted Earnings per share (Rs.)	33.87	26.81

16. Financial Reporting of Interest in Joint Ventures:

The investments in joint venture are governed by the AS-27 "Financial Reporting of Interest in Joint Venture" issued by the Institute of Chartered Accountants of India. During the period under review, there were following active investments in the joint ventures:

(Rs. in Lakhs)

NAME	%	ASSETS	LIABILITIES	INCOME	EXPENSES
Petron Pratibha JV	100%	34.87	-	-	-
Pratibha Ostu Stettin JV	50%	3,131.25	2,914.48	1,745.61	1,718.57
Pratibha Rohit JV	80%	827.71	773.59	823.77	752.74
Pratibha Unity JV	50%	147.10	14.25	-	-
Unity Pratibha Consortium	100%	1,580.28	822.83	2,464.84	2,464.84
Unity Pratibha Multimedia JV	100%	168.27	20.63	-	11.97
ITD Pratibha Consortium	100%	718.77	677.23	5,639.05	5,633.79
Patel-Pratibha JV	100%	1,017.77	919.19	4,645.63	4,645.63
Pratibha Pipes & Structural Consortium	40%	0.22	0.22	-	0.01
Niraj Pratibha JV	50%	3,074.12	3,919.26	1,321.48	2,166.62
KBL PIL Consortium	100%	230.65	230.65	990.72	990.72
Pratibha GIN KJI Consortium	100%	1,062.72	1,059.62	3,254.96	3,254.96
Pratibha JV	95%	375.00	311.62	712.08	704.62
Pratibha China State JV	100%	4,949.73	4,933.42	4,431.02	4,414.71
Gammon Pratibha JV	49%	1,450.24	1,450.24	-	-
Pratibha SMS JV	70%	2.01	2.01	-	-

As per Para 1, of AS 27, "This statement should be applied in accounting for interests in joint ventures and the reporting of joint venture assets, liabilities, income, and expenses in the financial statements of ventures and investors, regardless of the structures or forms under which the joint venture activities take place."

Accordingly, incomes, expenses assets, and liabilities are incorporated in the Consolidated Balance sheet of the Pratibha Industries Ltd.

17. Impairment of Assets:

During the year under consideration, none of the assets has been impaired.

18. Earning in Foreign Exchange :

(Rs. In lakhs)

Particulars	31.03.2010	31.03.2009
Export sale	110.15	423.28

19. Expenditure in Foreign Currency :

(Rs. In lakhs)

Particulars	31.03.2010	31.03.2009
On Foreign Travel	3.26	17.21
On Professional Fees	153.81	42.03
On Business Development and marketing	284.83	219.24
On Interest	39.06	216.25
On Fees & Subscription	2.78	3.66
On Import of Capital Goods (CIF Value)	29.38	2642.76
On Import of Material & Stores (CIF Value)	1179.48	72.81
On Freight	1.47	-
On equipment, spares and maintenance	0.90	-
Total	1694.97	3213.96

20. Additional Information under Part II of Schedule VI of the Companies Act, 1956:

(Following details are related to saw pipe manufacturing division only)

A. Capacities & Production

Product	Unit	Installed Capacity (Qty in '000)		Actual Production (Qty in '000)	
		2009-10	2008-09	2009-10	2008-09
M S Pipe	MT	90.00	90.00	42.47	39.53

(Actual production quantity includes free issue material processed)

B. Turnover

Product	Unit	2009-10		2008-09	
		Qty. (‘000)	Value (in Lakh)	Qty. (‘000)	Value (in Lakh)
M S Pipe	M.T.	42.32	17516.56	38.61	18546.10
M S Cut End	M.T.	0.92	123.30	7.35	141.24

* Quantitative figures are inclusive of quantity received and sent after conversion

C. Inventory

Product	Unit	As at 31.03.2010		As at 31.03.2009	
		Qty. (‘000)	Value (in Lakh)	Qty. (‘000)	Value (in Lakh)
M S Pipe	MT	1.06	428.83	0.92	494.59

D. Consumption

a. Raw Material, Stores & Spares consumed:

Product	Unit	2009-10		2008-09	
		Qty. (‘000)	Value (in Lakh)	Qty. (‘000)	Value (in Lakh)
H R Coil	M.T.	43.91	12431.27	38.13	16063.27
Others		-	1188.75	-	303.10

b. Value of imported & indigenous raw materials, spare parts & consumables

Product	2009-10		2008-09	
	Value (in Lakh)	%	Value (in Lakh)	%
Raw Materials				
Imported	55.30	0.70	0.00	0.00
Indigenous	7,879.58	99.30	8278.26	100.00
Total	7,934.88	100.00	8278.26	100.00
Spares Parts & Consumables				
Imported	853.24	13.39	91.34	30.14
Indigenous	5,517.26	86.61	211.76	69.86
Total	6,370.50	100.00	303.10	100.00

E. Purchase of Finished Goods:

NIL (P.Y. NIL)

F. Value of Imports (CIF Value)

(Rs. In lakhs)

Particulars	2009-10	2008-09
Raw Material	55.30	0.00
Consumables Stores	853.24	72.81
Capital Goods	29.38	140.78

21. Segment wise Revenue, Results and Capital employed for the Year ended March 31, 2010

(Rs. In Lakhs)

Particulars	2009-10	2008-09
1. Segment Revenue		
a. Infrastructure & Construction	82,401.88	64,999.34
b. Manufacturing	18,274.19	11,598.19
c. Unallocated	0.02	341.61
Total	100,676.09	76,939.14
Less : Inter Segment Revenue	7,185.50	1,161.42
Net Sales/Income from Operations	93,490.59	75,777.72
2. Segment Results		
a. Infrastructure & Construction	10,742.88	6,998.94
b. Manufacturing	2,011.47	1,441.42
c.. Unallocated	(178.63)	240.77
Total	12,575.72	8,681.13
Interest	4,931.02	3,177.00
Income Tax	1,993.43	1,031.37
Net Profit	5,651.27	4,472.76
Segment Assets		
a. Infrastructure & Construction	78806.76	52,256.56
b. Manufacturing	18912.63	15,496.84
c. Unallocated Corporate Assets	13196.89	3,600.43
Total Assets	110916.27	71,353.83
Segment Liabilities		
a. Infrastructure & Construction	66160.19	37,684.24
b. Manufacturing	7452.75	9,000.77
c. Unallocated Corporate Assets	9765.64	2,196.78
Total Liabilities	83378.58	48,881.79
Capital Employed		
a. Infrastructure & Construction	12,646.56	14,571.18
b. Manufacturing	11,459.88	6,496.06
c. Unallocated Corporate Assets	3,431.25	1,404.80
Capital Expenditure		
Depreciation		
a. Infrastructure & Construction	416.22	219.12
b. Manufacturing	491.05	273.32
c. Unallocated Corporate Assets	178.65	97.66
Non Cash Expenses other than Depreciation		
a. Unallocated Corporate Assets	0.62	3.32

22. Other Information under Part II of Schedule VI of the Companies Act, 1956, are not applicable and hence not disclosed.

23. The previous year's figures have been reworked, regrouped, rearranged, and reclassified wherever necessary.

For Jayesh Sanghrajka & Co.
Chartered AccountantsAshish Sheth
(M.No. 107162)
PartnerPlace : Mumbai
Date : 07th May, 2010

For Pratibha Industries Limited

Usha B Kulkarni
ChairpersonAjit B Kulkarni
Managing DirectorVinayak B Kulkarni
Whole Time DirectorPankaj S Chourasia
Company SecretaryPlace : Mumbai
Date : 07th May, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2010

Particulars	31.03.2010 Amount Rs.	31.03.2009 Amount Rs.
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items	764,470,019	550,412,995
Adjustment for :		
Depreciation	108,591,915	59,009,695
Loss / (Profit) on Sale of Assets & Investment	60,528	(33,842,967)
Finance Charges	493,101,632	317,700,381
Unrealised Foreign Exchange Gain	(24,695,763)	-
Dividend Received	-	(30)
Loss from Subsidiary	-	14,179
Operating Profit before working Capital Changes	1,341,528,331	893,294,254
Adjustment for:		
Inventories	(1,176,737,872)	(201,516,107)
Sundry Debtors	(584,278,197)	(562,933,344)
Loans & Advances	(1,234,319,357)	(481,258,458)
Sundry Creditors	460,784,000	(15,163,796)
Other Liabilities	42,658,387	(4,010,447)
Advances & Deposits	661,200,520	(209,258,881)
	(489,164,188)	(580,846,779)
Direct Taxes Paid	(2,749,646)	(5,296,356)
Net cash used in Operating Activities	(491,913,834)	(586,143,135)
CASH FLOW FROM INVESTMENT ACTIVITIES		
Additions to Fixed Assets	(1,342,216,738)	(606,617,763)
Deletion to Fixed Assets (net)	46,000	730,124
Redemption / (Purchase) of investments	12,208,577	886,712,741
Profit on redemption of Mutual Funds	1,929	34,161,011
Dividend Received	-	30
Loss From Subsidiary	-	(14,179)
Addition to Capital Work in Progress	377,456,191	(175,869,363)
Net cash used in investing activities	(952,504,042)	139,102,601
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(33,145,070)	(33,350,144)
Corporate Dividend Tax paid	(5,671,232)	(5,671,231)
Proceeds from Long Term Borrowings (Net)	557,427,947	96,333,522
Proceeds from Short Term Borrowings (Net)	1,343,501,402	939,268,690
Finance Charges paid (Net)	(493,101,632)	(317,700,381)
Net cash from Financing Activities	1,369,011,416	678,880,456
NET INCREASE IN CASH AND CASH EQUIVALENTS	(75,406,460)	231,839,922
Opening Cash and Cash Equivalents	692,005,086	460,165,164
Closing Cash and Cash Equivalents	616,598,626	692,005,086

Notes :

- The above statement has been prepared in indirect method as described in AS-3 issued by ICAI.
- Cash and Cash Equivalent

Cash and Cash Equivalent	31.03.2010	31.03.2009
Cash in hand	4,945,920	5,752,094
Balance with Banks	612,098,098	686,473,454
Less: Unpaid Dividend Balance	445,392	220,462
Total	616,598,626	692,005,086

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No. 107162)
Partner

Place : Mumbai
Date : 07th May, 2010

For Pratibha Industries Limited

Usha B Kulkarni Ajit B Kulkarni
Chairperson Managing Director

Vinayak B Kulkarni Pankaj S Chourasia
Whole Time Director Company Secretary

Place : Mumbai
Date : 07th May, 2010

STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. State Code (Refer Code List 1)

Balance Sheet
Date Month Year

II Capital Raised during the year (Amount in Rs. Thousand)

Public Issue

Bonus Issue

Right Issue

Private Placement

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

Total Liabilities

Total Assets

Sources of Funds

Paid-up Capital

Secured/Unsecured Loans

Reserves & Surplus

Deferred Liabilities

Application of Funds

Net Fixed Assets

Net Current Assets

Investments

Misc. Expenditure

IV. Performance of Company (Amount in Rs. Thousand).

Turnover/Income

Profit / Loss Before Tax

Profit / Loss After Tax

Earning Per Share in Rs.

Dividend @ %

(Please tick Appropriate box + for Profit - for Loss)

V Generic Names of Three Principal Products / Services of Company (as per monetary terms)

Item Code No. (ITC Code)	Product Description
<input type="text" value="N"/> <input type="text" value="A"/> <input type="text" value=""/>	Building & Construction
<input type="text" value="N"/> <input type="text" value="A"/> <input type="text" value=""/>	Manufacturing of SAW Pipes

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No. 107162)
Partner

Place : Mumbai
Date : 07th May, 2010

For Pratibha Industries Limited

Usha B Kulkarni
Chairperson

Ajit B Kulkarni
Managing Director

Vinayak B Kulkarni
Whole Time Director

Pankaj S Chourasia
Company Secretary

Place : Mumbai
Date : 07th May, 2010

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956,
RELATING TO SUBSIDIARY COMPANY**

Name of Subsidiary Company	Prime Infrapark Private Limited	Pratibha Infrastructure Private Limited
(A) The Financial year of the Subsidiary Company	31 st March, 2010	31 st March, 2010
(B) Shares of the subsidiary held by the Company on the above date:		
(a) Number of Shares	10,00,000 Equity shares of Rs 10 each	1000 Equity shares of Rs 100 each
(b) Extent of Holding	100%	100%
(C) The net aggregate of profit/loss of the subsidiary company so far as its concerns the members of the Company		
(a) Not dealt within the account of the Company for the year ended 31 st March, 2010 amounted to:-		
(I) for the financial years ended as in (A) above;	NIL	NIL
(II) for the previous financial year of subsidiary since they became the subsidiary of the Company	NIL	(81134)
(b) Dealt within the account of the Company for the year ended 31 st March, 2010 amounted to:-		
(I) for the financial years ended as in (A) above;	NIL	NIL
(II) for the previous financial year of subsidiary since they became the subsidiary of the Company	NIL	NIL
(D) As the financial year of the Company coincide with the financial year of the holding company, section 212 (5) of the Companies Act, 1956.	N.A.	N.A.

For Pratibha Industries Limited

Usha B Kulkarni
Chairperson

Ajit B Kulkarni
Managing Director

Vinayak B Kulkarni
Whole Time Director

Pankaj S Chourasia
Company Secretary

Place : Mumbai
Date : 07th May, 2010

DIRECTORS' REPORT

To,
The Members,

Pratibha Infrastructure Private Limited

The Directors are pleased to present their 7th Annual Report and Audited Statement of Accounts for the year ended on 31st March 2010.

OPERATIONS

The Company has not yet started its business operation.

DIVIDEND

Your Directors do not recommend any dividend.

FIXED DEPOSITS

The Company has not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956, during the year under review.

PARTICULARS OF EMPLOYEES

The Company does not have any employees who was in the receipt of remuneration aggregating to the sum prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) (Amendment) Rules, 2000.

CONSERVATION OF ENERGY

In terms of Section 217 (1) (e) of the Companies Act, 1956, information relating to Conservation of Energy, Technology absorption, Foreign Exchange earning and Outgo is not required as the Company is not engaged in manufacturing activities.

DIRECTORS

Mr. Ajit B. Kulkarni, Director retire by rotation and being eligible offers herself for re-appointment.

AUDITORS

M/s. Jayesh Sanghrajaka & Co., Chartered Accountants, Mumbai, retires as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. M/s. Jayesh Sanghrajaka & Co., Chartered Accountants, Mumbai has furnished certificate u/s 224 (1) (b)

of the Companies Act, 1956. Members are requested to re-appoint M/s. Jayesh Sanghrajaka & Co., as the Auditors of the Company and authorize the Board of Directors to fix their remuneration.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act 1956, your directors confirm that :-

- (a) In the preparation of the accounts the applicable Accounting Standards have been followed;
- (b) They have selected such accounting policies & applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair state of the affairs of the Company as at 31st March 2010 and of the Profit of the Company for the year ended on that date;
- (c) They have 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;
- (d) They have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Directors wish to thank Business Associates, Bankers, Government Authorities, and Shareholders for their continued support. The Directors also wish to place on record their appreciation of the dedicated and untiring hard work put in by the employees at all levels.

For and on behalf of the Board of Directors

Date : 7th May, 2010

Place : Mumbai

Ajit B Kulkarni

Director

AUDITORS' REPORT

To the Members,

Pratibha Infrastructure Private Limited

We have audited the attached Balance Sheet of **Pratibha Infrastructure Private Limited** as at 31st March 2010. 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.

1. 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. We report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;

- c) The Balance Sheet dealt with by this report are in agreement with the books of account;
- d) In our opinion the Balance Sheet dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956;
- e) In our opinion, and based on information and explanations given to us, as on 31st March 2010 none of the directors are disqualified from being appointed as directors in terms of clause (g) of subsection (1) of section 274 of the Companies Act 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India:
 - (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March 2010;
 - (ii) In so far as it relates to the Profit & Loss Account, of the Profit of the Company for the year ended on that date; and
 - (iii) In so far as, it relates to the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No.107162)
Partner

Place : Mumbai
Date : 7th May, 2010

ANNEXURE TO AUDITORS' REPORT

Referred to in Paragraph 2 of our report of even date

1. The Company has maintained proper records to show full particulars, including quantitative details and situation, of its fixed assets. We have been informed that the Management physically verifies the fixed assets of the Company, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, physical verification was carried out during the year and no material discrepancies were noticed.
2. As explained to us, since there is no inventory, the question of its physical verification, and procedures of its physical verification and maintenance of its records does not arise.
3. The company has not granted any loans to any companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act.
4. The Company has taken loan of Rs. 85,855 from Director of the Company. The terms & Conditions of the loan are not prima facie prejudicial to the interest of the Company.
5. 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 inventory, fixed assets and for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
6. The Company has not accepted any deposits under Section 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. No cost records and accounts are prescribed by the Central Government under Section 209 (1)(d) of the Companies Act 1956.
9. In respect of statutory dues, according to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2010 for a period of more than six months from the date of becoming payable.
10. The Company has accumulated losses Rs. 81,134/- as at end of the Financial Year 2009-10 which is more than 50% of its net worth and it has not incurred any cash losses during the financial year covered by our audit. However it has incurred cash loss of Rs. 11,588 during the immediately preceding financial year.
11. The company has neither taken loan from any financial institutions or banks nor raised amount from debentures. Thus, there is no question of default in repayment of dues.
12. In our opinion and according to the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
15. The Company has not given guarantees for loans taken by others from banks or financial institutions.
16. The Company has not raised any term loan during the year.
17. On the basis of an overall examination of the Balance Sheet of the company, in our opinion, there are no funds raised on a short-term basis, which have been used for long-term purposes and vice versa.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures.
20. Since the Company has not raised money through public issues, the disclosure on the end use of money raised by public issues does not arise.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
Partner
(M.No.107162)

Place : Mumbai
Date : 7th May, 2010

BALANCE SHEET AS AT 31ST MARCH 2010

PARTICULARS	SCHEDULE	As at 31.03.2010	As at 31.03.2009
SOURCES OF FUNDS			
SHAREHOLDER'S FUNDS			
Share Capital	A	100,000	100,000
Reserve & Surplus	-	-	-
DEFERRED TAX LIABILITY			
	-	-	-
LOAN FUNDS			
Secured Loans	-	-	-
Unsecured Loans	B	85,855	85,855
Total		185,855	185,855
APPLICATIONS OF FUNDS			
FIXED ASSETS			
	C		
Gross Block		51,287	51,287
Less : Depreciation		7,773	5,182
Net Block		43,514	46,105
CURRENT ASSETS LOANS & ADVANCES			
Inventories		-	-
Sundry Debtors		-	-
Cash & Bank Balance	D	65,878	65,878
Loans, Advances & Deposits		-	-
		65,878	65,878
LESS: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	E	153,355	155,946
Provisions		-	-
		153,355	155,946
WORKING CAPITAL			
		(87,477)	(90,068)
MISCELLANEOUS EXPENSES			
	F	148,684	148,684
(To the extent not w/off)			
PROFIT AND LOSS ACCOUNT			
	G	81,134	81,134
Total		185,855	185,855
Notes forming part of the Accounts			
	J		

Schedules referred above & notes to the Account forms an integral part of Balance Sheet & Profit & Loss A/c.

As per our Report of even date
For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
Partner
M.No. 107162

Place : Mumbai
Date : 7th May, 2010

For and on behalf of the Board

Ajit B Kulkarni
Director

Samidha A Kulkarni
Director

Place : Mumbai
Date : 7th May, 2010

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2010

PARTICULARS	SCHEDULE	Financial Year Ended 31.03.2010	Financial Year Ended 31.03.2009
INCOME			
Income From Operations		-	-
Other Income	H	16,151	-
		16,151	-
EXPENDITURE			
Cost of Works Done		-	-
Administrative, Selling & Other Expenses	I	13560	11,087
Finance Charges		-	-
Depreciation	C	2,591	2,591
		16,151	13,678
PROFIT/LOSS BEFORE TAX		-	(13678)
Provision for Tax			
Current Tax		-	-
Deferred Tax		-	-
Fringe Benefit Tax		-	-
Short Provision of FBT of earlier year			(501)
PROFIT/LOSS AFTER TAX		-	(14179)
Notes forming part of the Accounts	J		

As per our Report of even date
For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
Partner
M.No. 107162

Place : Mumbai
Date : 7th May, 2010

For and on behalf of the Board

Ajit B Kulkarni
Director

Samidha A Kulkarni
Director

Place : Mumbai
Date : 7th May, 2010

SCHEDULES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	As At 31.03.2010	As At 31.03.2009
SCHEDULE - 'A' SHARE CAPITAL		
Authorised capital		
100000 (P.Y. 100000)Equity Shares of Rs. 100/- Each	10,000,000	10,000,000
Issued, Subscribed and Paid Up Capital		
1000 (P.Y. 1000)Equity Shares of Rs. 100/- Each fully paid up	100,000	100,000
	100,000	100,000
SCHEDULE - 'B' UNSECURED LOAN		
From Shareholder & Director	85,855	85,855
	85,855	85,855

SCHEDULE - 'C' FIXED ASSETS AS AT 31.03.10

Sr. No.	Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		Cost as on 01.04.09	Admn.	Sale/ Transfer/ Impairment	As on 31.03.10	As on 01.04.09	For the Period	On Sale/ Transfers	As on 31.03.10	As on 31.03.10	As on 31.03.09
1	Plant & Machinery	41,500	-	-	41,500	3,942	1,971	-	5,913	35,587	37,558
2	Furniture & Fixture	9,787	-	-	9,787	1,240	620	-	1,860	7,927	8,547
	Total	51,287	-	-	51,287	5,182	2,591	-	7,773	43,514	46,105
	Previous Year	51,287	-	-	51,287	2,591	2,591	-	5,182	46,105	48,696

SCHEDULE - 'D' CASH AND BANK BALANCES

Cash Balance	-	-
Balance with Bank of Baroda	65,878	65,878
	65,878	65,878

SCHEDULE - 'E' CURRENT LIABILITIES

Creditors for Expenses	153,355	153,053
TDS Payable	-	2,893
	153,355	155,946

SCHEDULE - 'F' MISCELLANEOUS EXPENSES

Preliminary Expenses	148,684	148,684
	148,684	148,684

SCHEDULE - 'G' PROFIT & LOSS ACCOUNT

Opening Balance	(81,134)	(66,955)
Add:- Addition During the Year	-	(14,179)
	(81,134)	(81,134)

SCHEDULE - 'H' OTHER INCOME

Sundry Balance w/off.	16,151	-
	16,151	-

SCHEDULE - 'I' ADMINISTRATIVE, SELLING AND OTHER EXP.

Audit Fees	11,030	11,030
Sundry Expenses	2,530	57
	13,560	11,087

SCHEDULE -'J' SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**SIGNIFICANT ACCOUNTING POLICIES**

The financial statements are prepared to comply in all material aspects with the applicable accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The Significant Accounting Policies are as follows:-

A. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

B. Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

C. Fixed Assets

Fixed Assets are stated at cost of acquisition, including any attributable cost for bringing the assets to its working condition for its intended use, less accumulated depreciation.

D. Depreciation

Depreciation on fixed assets has been provided on Straight Line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

NOTES TO ACCOUNTS

- The Company is 100% Subsidiary of Pratibha Industries Limited.
- In the opinion of the Directors, the Current Assets have value at least equal to the value stated in the Balance sheet if realized in the ordinary course of the Business.
- Payment to Auditors:

Particulars	31.03.2010	31.03.2009
a. Audit Fees	11,030	11,030
c. In other Capacity	-	-
	11,030	11,030

(The figures are inclusive of Service Tax)

- The Company has neither expended nor earned any foreign exchange.
- Related Party Disclosure:**

As per the accounting standard 18 prescribed by Companies (Accounting Standards) Rules, 2006, details of related parties & transactions with them are given below:

List of Related Parties

Pratibha Industries Limited - Holding Company

List of Key Management Personnels:

Ajit B. Kulkarni - Director
Samidha A. Kulkarni - Director

Details of transactions during the year

(Rs. in Lakhs)

Particulars	Holding Company	Key Management Personnel	Relatives of Key Management Personnel
Sales & Services	NIL (NIL)	NIL (NIL)	NIL (NIL)
Interest & Other Incomes received / receivable	NIL (NIL)	NIL (NIL)	NIL (NIL)
Purchase of Goods / Payment for other services	0.03 (NIL)	NIL (NIL)	NIL (NIL)
Remuneration	NIL (NIL)	NIL (NIL)	NIL (NIL)
Sale of Fixed Assets	NIL (NIL)	NIL (NIL)	NIL (NIL)
Purchase of Fixed Assets	NIL (NIL)	NIL (NIL)	NIL (NIL)
Loan given / (received)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Guarantee given /(received)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Investment made /(received)	NIL (NIL)	NIL (NIL)	NIL (NIL)

(Note: Previous year's figures are given in bracket)

6. Earnings per share:

Sr. No.	Particulars	As on 31.03.2010	As on 31.03.2009
	Basic / Diluted earning per share		
1	Net profit attributable to Equity Shareholders (In Rs.)	-	(14,179)
2	Weighted average number of shares outstanding during the year (Nos.)	1,000	1,000
3	Basic / Diluted earning per share (Rs.)	-	(14.18)
4	Face Value Per Share (Rs.)	100	100

7. No amount is payable to any Micro & Small enterprises.
8. Additional Information pursuant to provisions of Part II of Schedule VI of the Companies Act, 1956 are not applicable and hence not disclosed.
9. Previous year's figures have been regrouped, rearranged and restated wherever necessary.

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
Partner
(M.No.107162)

Place : Mumbai
Date : 7th May, 2010

For & on Behalf of the Board

Ajit Kulkarni
Director

Samidha Kulkarni
Director

Place : Mumbai
Date : 7th May, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2010

Particulars	31.03.2010 Amount Rs.	31.03.2009 Amount Rs.
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items	-	-
Adjustment for :		
Depreciation	2,591	2,591
Preliminary Expenses Written Off	-	-
Finance Charges	-	-
Operating Profit before working Capital Changes	2,591	2,591
Adjustment for:		
Sundry Creditors	(2,591)	11,930
Other Liabilities & Provisions	-	(399)
	(2,591)	11,531
Direct Taxes Paid	-	(501)
Net cash used in Operating Activities	-	(57)
CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	-	-
Net cash used in investing activities	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
Change in Unsecured Loan	-	-
Net cash from Financing Activities	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	-	(57)
Opening Cash and Cash Equivalents	65,878	65,935
Closing Cash and Cash Equivalents	65,878	65,878

Notes

The above statement has been prepared in indirect method as described in AS-3 issued by ICAI.

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
Partner
(M.No. 107162)

Place : Mumbai
Date : 7th May, 2010

For and on behalf of the Board of Directors

Ajit B Kulkarni
Director

Samidha A Kulkarni
Director

Place : Mumbai
Date : 7th May, 2010

STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

1	4	3	1	8	7
---	---	---	---	---	---

 State Code

1	1
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 (Refer Code List 1)

Balance Sheet

3	1
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0	3
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1	0
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Date Month Year

II Capital Raised during the year (Amount in Rs. Thousand)

Public Issue	Right Issue										
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>		N	I	L		<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>		N	I	L	
	N	I	L								
	N	I	L								
Bonus Issue	Private Placement										
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>		N	I	L		<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>		N	I	L	
	N	I	L								
	N	I	L								

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

Total Liabilities	Total Assets												
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>1</td><td>8</td><td>6</td></tr></table>				1	8	6	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>1</td><td>8</td><td>6</td></tr></table>				1	8	6
			1	8	6								
			1	8	6								

Sources of Funds

Paid-up Capital	Reserves & Surplus											
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>1</td><td>0</td><td>0</td></tr></table>				1	0	0	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>		N	I	L	
			1	0	0							
	N	I	L									
Secured/Unsecured Loans	Deferred Liabilities											
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>8</td><td>6</td></tr></table>				8	6	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>		N	I	L		
			8	6								
	N	I	L									

Application of Funds

Net Fixed Assets	Investments											
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>4</td><td>3</td></tr></table>				4	3	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>		N	I	L		
			4	3								
	N	I	L									
Net Current Assets	Misc. Expenditure											
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td>-</td><td>8</td><td>7</td></tr></table>			-	8	7	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>1</td><td>4</td><td>9</td></tr></table>				1	4	9
		-	8	7								
			1	4	9							
Accumulated Losses												
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>8</td><td>1</td></tr></table>				8	1							
			8	1								

IV. Performance of Company (Amount in Rs. Thousand).

Turnover/Income	Total Expenditure												
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>1</td><td>6</td></tr></table>				1	6	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td>1</td><td>6</td></tr></table>				1	6		
			1	6									
			1	6									
+ - Profit / Loss Before Tax	+ - Profit / Loss After Tax												
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td><input checked="" type="checkbox"/></td><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>	<input checked="" type="checkbox"/>		N	I	L		<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td><input checked="" type="checkbox"/></td><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>	<input checked="" type="checkbox"/>		N	I	L	
<input checked="" type="checkbox"/>		N	I	L									
<input checked="" type="checkbox"/>		N	I	L									
(Please tick Appropriate box + for Profit - for Loss)													
Earning Per Share in Rs.	Dividend @ %												
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>		N	I	L		<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>-</td><td>-</td></tr></table>	-	-					
	N	I	L										
-	-												

V Generic Names of Three Principal Products / Services of Company (as per monetary terms)

Item Code No. (ITC Code)	Product Description								
<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>N</td><td>A</td><td> </td></tr></table>		N	A		<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td>-</td><td> </td><td> </td></tr></table>		-		
	N	A							
	-								

For Jayesh Sanghrajka & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Ashish Sheth
Partner
(M.No. 107162)

Ajit B Kulkarni
Director

Samidha A Kulkarni
Director

Place : Mumbai
Date : 7th May, 2010

Place : Mumbai
Date : 7th May, 2010

DIRECTORS' REPORT

To,

The Members,

Prime Infrapark Private Limited

The Directors are pleased to present their 1st Annual Report and Audited Statement of Accounts for the year ended on 31st March 2010.

OPERATIONS

The Company has not yet started its business operation.

DIVIDEND

Your Directors do not recommend any dividend.

FIXED DEPOSITS

The Company has not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956, during the year under review.

PARTICULARS OF EMPLOYEES

The Company does not have any employees who was in the receipt of remuneration aggregating to the sum prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) (Amendment) Rules, 2000.

CONSERVATION OF ENERGY

In terms of Section 217 (1) (e) of the Companies Act, 1956, information relating to Conservation of Energy, Technology absorption, Foreign Exchange earning and Outgo is not required as the Company is not engaged in manufacturing activities.

DIRECTORS

Mr. Ajit B. Kulkarni, Director retire by rotation and being eligible offers herself for re-appointment.

AUDITORS

M/s. Jayesh Sanghrajaka & Co., Chartered Accountants, Mumbai, retires as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. M/s. Jayesh Sanghrajaka & Co., Chartered

Accountants, Mumbai has furnished certificate u/s 224 (1) (b) of the Companies Act, 1956. Members are requested to re-appoint M/s. Jayesh Sanghrajaka & Co., as the Auditors of the Company and authorize the Board of Directors to fix their remuneration.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act 1956, your directors confirm that :-

- (a) In the preparation of the accounts the applicable Accounting Standards have been followed;
- (b) They have selected such accounting policies & applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair state of the affairs of the Company as at 31st March 2010 and of the Profit of the Company for the year ended on that date;
- (c) They have 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;
- (d) They have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Directors wish to thank Business Associates, Bankers, Government Authorities, and Shareholders for their continued support. The Directors also wish to place on record their appreciation of the dedicated and untiring hard work put in by the employees at all levels.

For and on behalf of the Board of Directors

Ajit B Kulkarni
Director

Date :- 7th May, 2010
Place: Mumbai

AUDITORS' REPORT

To the Members,
Prime Infrapark Private Limited

We have audited the attached Balance Sheet of Prime Infrapark Private Limited as at 31st March, 2010. 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.

1. 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 misstatements and show a true and fair view of the accounts as on 31st March 2010. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. We report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
 - c) The Balance Sheet dealt with by this report is in agreement with the books of account;

- d) In our opinion the Balance Sheet dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956;
- e) In our opinion, and based on information and explanations given to us, as on 31st March 2010 none of the directors are disqualified from being appointed as directors in terms of clause (g) of subsection (1) of section 274 of the Companies Act 1956;
- f) In our opinion and to the best of our information along with the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view of the financial statements, in conformity with the accounting principles generally accepted in India:
 - (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March 2010;
 - (ii) In so far as it relates to the Profit & Loss Account, of the Profit of the Company for the year ended on that date; and
 - (iii) In so far as it relates to the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
Partner
(M.No.107162)

Place: Mumbai
Date: 7th May, 2010

ANNEXURE TO AUDITORS' REPORT

Referred to in Paragraph 2 of our report of even date

1. The Company did not have any fixed Assets for the Financial Year 2009-10 hence no records related to fixed assets are maintained.
2. In respect of its inventories:
 - a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. The company has not granted any loans to any companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act.
4. The Company has not taken any loans from companies, firms or other parties covered in the register maintained under Section 301 of the companies Act, 1956;
5. 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 inventory, fixed assets and for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
6. The Company has not accepted any deposits under Section 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. No cost records and accounts are prescribed by the Central Government under Section 209 (1)(d) of the Companies Act 1956.
9. In respect of statutory dues, according to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at

31st March 2010 for a period of more than six months from the date of becoming payable.

10. This is the first year of incorporation. Hence reporting accumulated loss & cash loss of earlier year is not applicable.
11. The company has neither taken loan from any financial institutions or banks nor raised amount from debentures. Thus, there is no question of default in repayment of dues.
12. In our opinion and according to the information and explanation given to us, the Company has not granted loans and advances based on security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
15. The Company has not given guarantees for loans taken by others from banks or financial institutions.
16. The Company has not raised term loans during the year.
17. Based on an overall examination of the Balance Sheet of the company, in our opinion, there are no funds raised on a short-term basis, which have been used for long-term purposes and vice versa.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any Debentures.
20. Since the Company has not raised money through public issues, the disclosure on the end use of money raised by public issues does not arise.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
Partner
(M.No.107162)

Place: Mumbai
Date: 7th May, 2010

BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	SCHEDULE	As At 31.03.2010
SOURCES OF FUNDS		
SHAREHOLDER'S FUNDS		
Share Capital	A	10,000,000
Reserve & Surplus		-
LOAN FUNDS		
Total		10,000,000
APPLICATIONS OF FUNDS		
FIXED ASSETS		
Fixed Assets Gross Block		-
Less : Depreciation		-
CURRENT ASSETS, LOANS & ADVANCES		
Inventories	B	14,564,628
Sundry Debtors		-
Cash & Bank Balance		-
Loans, Advances & Deposits	C	100,000,000
		114,564,628
LESS: CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors	D	14,121,754
Other Liabilities & Provision	E	91,061,573
		105,183,327
WORKING CAPITAL		
		9,381,301
MISCELLANEOUS EXPENSES		
(To the extent not w/off)	F	618,699
PROFIT AND LOSS ACCOUNT		
Total		10,000,000

Notes forming part of the Accounts

H

Schedules referred above & notes to the Account forms an integral part of Balance Sheet & Profit & Loss A/c.

As per our report of even Date

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No. 107162)
Partner

Place : Mumbai
Date : 07th May, 2010

For Prime Infrapark Private Limited

Ajit B Kulkarni
Director

Rohit R. Katyal
Director

Place : Mumbai
Date : 07th May, 2010

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010

PARTICULARS	SCHEDULE	Financial Year Ended 31.03.2010
INCOME		
Income From Operations		-
		-
EXPENDITURE		
Cost of Works Done	G	(154,675)
Preliminary Written Off	F	154,675
		-
PROFIT/LOSS BEFORE TAX		
Provision for Tax		-
PROFIT/LOSS AFTER TAX		
		-

Notes forming part of the Accounts H

As per our report of even Date

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No. 107162)
Partner

Place : Mumbai
Date : 07th May, 2010

For Prime Infrapark Private Limited

Ajit B Kulkarni
Director

Rohit R. Katyal
Director

Place : Mumbai
Date : 07th May, 2010

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

PARTICULARS	31.03.2010
SCHEDULE - 'A': SHARE CAPITAL	
Authorised capital	
10,000,000 (P.Y. NIL) Equity Shares of Rs. 10/- Each	100,000,000
Issued, Subscribed and Paid Up Capital	
10,00,000 (P.Y. NIL) equity shares of Rs.10 each Fully Paid up	10,000,000
	10,000,000
SCHEDULE - 'B': INVENTORIES	
Raw Material	-
Work in Progress	14,564,628
Finished Stock	-
Consumables	-
	14,564,628
SCHEDULE - 'C': LOANS, ADVANCES AND DEPOSITS	
Delhi Metro Rail Corporation Ltd.	100,000,000
	100,000,000
SCHEDULE - 'D': SUNDRY CREDITORS	
Sundry Creditors	14,121,754
	14,121,754
SCHEDULE - 'E': OTHER CURRENT LIABILITIES AND PROVISIONS	
Advances	90,773,374
TDS Payable	288,199
	91,061,573
SCHEDULE - 'F': MISCELLANEOUS EXPENSES	
Preoperative and Incorporation Expenses	773,374
Less: W/off	154,675
	618,699
SCHEDULE - 'G': COST OF WORKS DONE	
Opening Stock	-
Purchases	-
Add : Direct Expenses	14,409,953
	14,409,953
Less : Closing Stock	14,564,628
	(154,675)

SCHEDULE- 'H': SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared to comply in all material aspects with the applicable accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of The Companies Act, 1956. The Significant Accounting Policies are as follows:-

A. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

B. Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

NOTES TO ACCOUNTS

1. The Company is 100% Subsidiary of Pratibha Industries Limited.
2. In the opinion of the Directors, the Current Assets have value at least equal to the value stated in the Balance sheet if realized in the ordinary course of the Business.
3. Company has neither expended nor earned any foreign exchange.

4. Related Party Disclosure:

As per the Accounting Standard 18 prescribed by Companies (Accounting Standards) Rules, 2006, details of related parties & transactions with them are given below:

List of Related Parties

Pratibha Industries Limited - Holding Company

List of Key Management Personnel:

Ajit B. Kulkarni - Director

Rohit Katyal - Director

Details of transactions during the year

(Rs. in Lakhs)

Particulars	Holding Company	Key Management Personnel	Relatives of Key Management Personnel
Sales & Services	NIL (NIL)	NIL (NIL)	NIL (NIL)
Interest & Other Incomes received / receivable	NIL (NIL)	NIL (NIL)	NIL (NIL)
Purchase of Goods / Payment for other services	141.22 (NIL)	NIL (NIL)	NIL (NIL)
Remuneration	NIL (NIL)	NIL (NIL)	NIL (NIL)
Sale of Fixed Assets	NIL (NIL)	NIL (NIL)	NIL (NIL)
Purchase of Fixed Assets	NIL (NIL)	NIL (NIL)	NIL (NIL)
Advance given / (received)	(907.73) (NIL)	NIL (NIL)	NIL (NIL)
Guarantee given /(received)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Investment made /(received)	NIL (NIL)	NIL (NIL)	NIL (NIL)

Note: Previous year's figures are given in bracket

Prime Infrapark Private Limited

5. Earnings per share:

Sr. No.	Particulars	As on 31.03.2010	As on 31.03.2009
Basic / Diluted earning per share			
1.	Net profit attributable to Equity Shareholders (In Rs.)	—	—
2.	Weighted average number of shares outstanding during the year (Nos)	10,00,000	—
3.	Basic / Diluted earning per share (Rs.)	—	—
4.	Face Value Per Share (Rs.)	10	—

6. No amount is payable to any Micro & Small enterprises.

7. Additional Information pursuant to provisions of Part II of Schedule VI of the Companies Act, 1956 are not applicable and hence not disclosed.

For Jayesh Sanghrajka & Co.
Chartered Accountants

For Prime Infrapark Private Limited

Ashish Sheth
(M.No. 107162)
Partner

Ajit B Kulkarni
Director

Rohit R. Katyal
Director

Place : Mumbai
Date : 07th May, 2010

Place : Mumbai
Date : 07th May, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2010

PARTICULARS	31.03.2010 Amount (Rs.)
CASH FLOW FROM OPERATING ACTIVITIES	
Profit before tax and extraordinary items	-
Adjustment for :	
Preliminary Expenses Written Off	154,675
Operating Profit before working Capital Changes	154,675
Adjustment for:	
Increase In Inventory	(14,564,628)
Increase In Loans, Advances & Deposits	(100,000,000)
Increase In Miscellaneous Expenses	(773,374)
Sundry Creditors for Expenses	14,121,754
Change in Other Liabilities	91,061,573
	(10,154,675)
Direct Taxes Paid	-
Net cash used in Operating Activities	(10,000,000)
CASH FLOW FROM INVESTMENT ACTIVITIES	-
Net cash used in investing activities	-
CASH FLOW FROM FINANCING ACTIVITIES	
Issue of Share Capital	10,000,000
Net cash from Financing Activities	10,000,000
NET INCREASE IN CASH AND CASH EQUIVALENTS	-
Opening Cash and Cash Equivalents	-
Closing Cash and Cash Equivalents	-

Note: The above statement has been prepared in indirect method as described in AS - 3 issued by ICAI.

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No. 107162)
Partner

Place : Mumbai
Date : 07th May, 2010

For Prime Infrapark Private Limited

Ajit B Kulkarni Rohit R. Katyal
Director Director

Place : Mumbai
Date : 07th May, 2010

STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. State Code (Refer Code List 1)

Balance Sheet
Date Month Year

II Capital Raised during the year (Amount in Rs. Thousand)

Public Issue

Bonus Issue

Right Issue

Private Placement

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

Total Liabilities

Total Assets

Sources of Funds

Paid-up Capital

Secured/Unsecured Loans

Reserves & Surplus

Deferred Liabilities

Application of Funds

Net Fixed Assets

Net Current Assets

Accumulated Losses

Investments

Misc. Expenditure

IV. Performance of Company (Amount in Rs. Thousand).

Turnover/Income

Profit / Loss Before Tax + -

(Please tick Appropriate box + for Profit - for Loss)

Earning Per Share in Rs.

Total Expenditure

Profit / Loss After Tax + -

Dividend @ %

V Generic Names of Three Principal Products / Services of Company (as per monetary terms)

Item Code No. (ITC Code)

Product Description

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No. 107162)
Partner

Place : Mumbai
Date : 07th May, 2010

For Prime Infrapark Private Limited

Ajit B Kulkarni Rohit R. Katyal
Director Director

Place : Mumbai
Date : 07th May, 2010

Auditors' Report to the Members of Pratibha Industries Limited

We have audited the attached Consolidated Balance Sheet of **PRATIBHA INDUSTRIES LIMITED** and its Subsidiaries and Joint Ventures, as at 31st March, 2010, the consolidated Profit and Loss account and also the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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.

We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirement of the Accounting Standards (AS) 21, Consolidated Financial Statements and Accounting Standard

(AS) 27, Reporting Of Interest in Joint Ventures, notified by Companies (Accounting Standards) Rules, 2006 and on the basis of separate audited / certified financial statements, we are of the opinion that:

- In the case of the Consolidated Balance Sheet gives true and fair view of the Consolidated State of Affairs of the Company and its Subsidiaries and Joint Ventures as at 31st March 2010;
- In the case of the Consolidated Profit and Loss account gives a true and fair view of the Consolidated Profit / Loss for the year ended on that date; and
- In the case of the Consolidated Cash Flows Statement, of the Consolidated Cash Flows for the year ended on that date.

For Jayesh Sanghrajka & Co.

Chartered Accountants

Ashish Sheth

Partner

M.No. 107162

Mumbai, 7th May 2010.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2010

PARTICULARS	SCHEDULE	As at 31.03.2010	As at 31.03.2009
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	A	166,850,000	166,850,000
Reserves & Surplus	B	2,586,892,252	2,080,353,810
		2,753,742,252	2,247,203,810
Deferred Tax Liability		131,104,529	61,701,302
Loan Funds			
Secured Loans	C	3,047,775,829	2,179,332,013
Unsecured Loans	D	1,300,085,855	305,128,492
		4,347,861,684	2,484,460,505
TOTAL		7,232,708,466	4,793,365,617
APPLICATIONS OF FUNDS			
Fixed Assets			
Gross Block	E	3,169,003,768	1,683,207,673
Less: Depreciation		278,429,714	139,408,829
Net Block		2,890,574,054	1,543,798,844
Capital Work In Progress		113,657,066	607,461,998
Investments	F	51,429,715	927,786
Current Assets Loans & Advances			
Inventories	G	3,236,654,383	2,099,976,650
Sundry Debtors	H	1,943,853,253	1,410,729,486
Cash & Bank Balance	I	658,087,281	721,454,678
Loans, Advances & Deposits	J	2,440,652,244	1,385,390,665
		8,279,247,161	5,617,551,480
Less: Current Liabilities & Provisions			
Sundry Creditors	K	1,958,132,789	1,667,414,796
Other Liabilities & Provisions	L	471,633,499	269,044,062
Advances & Deposits	M	1,673,301,520	1,040,215,187
TOTAL		4,103,067,808	2,976,674,045
Working Capital		4,176,179,353	2,640,877,435
Miscellaneous Expenditures (to the extent not w/off)	N	868,279	299,554
TOTAL		7,232,708,466	4,793,365,617

Significant Accounting Policies & Notes to Accounts T

Schedules referred above & notes to the Account forms an integral part of Balance Sheet & Profit & Loss A/c.

As per our report of even Date

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No. 107162)
Partner

Place : Mumbai
Date : 07th May, 2010

For Pratibha Industries Limited

Usha B Kulkarni
Chairperson

Vinayak B Kulkarni
Whole Time Director

Place : Mumbai
Date : 07th May, 2010

Ajit B Kulkarni
Managing Director

Pankaj S Chourasia
Company Secretary

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2010

PARTICULARS	SCHEDULE	Financial Year Ended 31.03.2010	Financial Year Ended 31.03.2009
Income			
Gross Sales & Other incomes from Operations		10,115,938,778	8,081,684,296
Less:Excise Duty		44,345,213	23,815,921
Net Sales & Other incomes from Operations		10,071,593,565	8,057,868,375
Other Income	O	62,736,091	49,758,395
		10,134,329,656	8,107,626,770
Expenses			
Cost of Works Done	P	7,196,862,986	6,152,536,026
Personnel Expenses	Q	538,509,174	345,884,673
Administrative,Selling & Other Exps	R	969,665,162	643,054,709
Finance Expenses	S	522,348,475	340,512,612
Depreciation	E	140,433,006	71,257,097
Preliminary Expenses Written Off		204,649	-
		9,368,023,453	7,553,245,118
Profit Before Tax		766,306,204	554,381,653
Provision For Taxation			
Current Tax		131,676,084	55,087,134
Deferred Tax		69,403,227	43,890,320
Fringe Benefit Tax		-	6,482,840
Short/Excess Tax Provision of Earlier Years		126,604	1,645,319
Profit After Tax		565,100,289	447,276,039
Proposed Dividend		50,055,000	33,370,000
Corporate Dividend Tax		8,506,847	5,671,232
General Reserve		57,000,000	35,000,000
Balance Carried forward to Balance Sheet		449,538,442	373,234,807
Closing Number of shares		16,685,000	16,685,000
Weighted Average Number of shares		16,685,000	16,685,000
Basic & Diluted Earning Per Share		33.87	26.81
Diluted Earning Per Share		33.87	26.81

Significant Accounting Policies & Notes to Accounts T

Schedules referred above & notes to the Account forms an integral part of Balance Sheet & Profit & Loss A/c.

As per our report of even Date

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No. 107162)
Partner

Place : Mumbai
Date : 07th May, 2010

For Pratibha Industries Limited

Usha B Kulkarni Ajit B Kulkarni
Chairperson Managing Director

Vinayak B Kulkarni Pankaj S Chourasia
Whole Time Director Company Secretary

Place : Mumbai
Date : 07th May, 2010

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET

PARTICULARS	As At 31.03.2010	As At 31.03.2009
SCHEDULE: A : SHARE CAPITAL		
Authorised Capital		
25000000 (P.Y. 25000000) Equity Shares of Rs 10/- Each	250,000,000	250,000,000
Issued,Subscribed & Fully Paid Up		
16685000 (P.Y. 16685000) Equity Shares of Rs.10/- Each	166,850,000	166,850,000
Total	166,850,000	166,850,000
SCHEDULE: B : RESERVES & SURPLUS		
Profit & Loss Account		
Opening Balance	994,382,074	621,147,267
Addition During Period	449,538,442	373,234,807
	(A) 1,443,920,516	994,382,074
Security Premium Account		
Opening Balance	990,971,736	990,971,736
Addition During Period	-	-
Less:Deduction during the Year	-	-
	(B) 990,971,736	990,971,736
General Reserve		
Opening Balance	95,000,000	60,000,000
Addition During Period	57,000,000	35,000,000
Less:Deduction during the Year	-	-
	(C) 152,000,000	95,000,000
Total (A) + (B) + (C)	2,586,892,252	2,080,353,810
SCHEDULE: C : SECURED LOANS		
Loans for Property,Vehicles & Construction Equip.	742,690,709	364,965,319
Working Capital Finance	933,783,231	502,120,503
Project - Specific Finance	1,015,984,835	757,479,961
Buyer's Credit Facility	-	338,401,455
Term Loan	355,317,054	216,364,776
Total	3,047,775,829	2,179,332,013
SCHEDULE: D : UNSECURED LOANS		
From Banks & Financial Institutions	1,300,000,000	300,000,000
From Others	-	5,042,637
From Shareholders and Directors	85,855	85,855
Others	-	-
Total	1,300,085,855	305,128,492

SCHEDULES SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET

SCHEDULE : E : FIXED ASSETS AS AT 31.03.2010

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as on 01.04.2009	Addition	Sale/ Transfers/ Impairment	As on 31.03.2010	As on 01.04.2009	For The Period	On Sale/ Transfers	As on 31.03.2010	As on 31.03.2010	As on 31.03.2009
1	Office Premises	62,734,115	357,615,900	-	420,350,015	3,230,069	1,353,435	-	4,583,504	415,766,511	59,504,046
2	Plant & Machinery	1,198,159,457	713,542,705	3,201,729	1,908,500,433	85,809,093	99,697,788	588,981	184,917,900	1,723,582,534	1,112,350,365
3	Furniture & Fixture	37,305,382	16,028,567	317,518	53,016,430	5,980,313	2,683,598	49,358	8,614,553	44,401,877	31,325,069
4	Electrical Installation	57,975,795	14,175,325	-	72,151,120	4,618,413	3,251,753	-	7,870,166	64,280,954	53,357,382
5	Office Equipments	30,913,155	22,328,379	117,639	53,123,896	5,809,425	4,527,435	15,314	10,321,546	42,802,350	25,103,730
6	Vehicles	107,863,294	39,932,123	360,126	147,435,291	24,768,127	11,310,842	251,669	35,827,300	111,607,990	83,095,166
7	Computer & Softwares	10,011,825	11,245,189	64,526	21,192,488	2,892,133	2,993,769	37,106	5,848,796	15,343,692	7,119,693
8	Factory Building	148,533,023	291,543,206	469,692	439,606,537	6,301,256	14,614,385	469,692	20,445,949	419,160,588	142,231,767
9	Land	29,711,627	23,915,930	-	53,627,557	-	-	-	-	53,627,557	29,711,627
	Total	1,683,207,673	1,490,327,324	4,531,229	3,169,003,768	139,408,828	140,433,006	1,412,120	278,429,714	2,890,574,054	1,543,798,847
	Previous Year	989,834,578	695,210,797	1,837,700	1,683,207,675	68,555,181	71,257,099	403,450	139,408,828	1,543,798,847	921,279,397

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET

PARTICULARS	As At 31.03.2010	As At 31.03.2009
SCHEDULE: F : INVESTMENTS		
Trade Unquoted		
2,660 Equity Shares of Abhyudaya Co Op. Bank Ltd.	26,600	26,600
100,100 Equity Shares of Janakalyan Sahakari Bank Ltd	1,357,250	857,250
5 Equity Shares of The Greater Bombay Co. Op. Bank Ltd.	25	25
Non-Trade Quoted		
Investment in Gold Coins (Market Value Rs.130560/- P.Y. Rs. 121,400/-)	43,911	43,911
Investment in Mutual Fund (Market Value Rs. 50370575/- P.Y. Rs. NIL/-)	50,001,929	-
Total	51,429,715	927,786
Aggregate Value of		
Quoted Investments	50,045,840	850,183,886
Market Value - Quoted Investments	50,501,135	862,982,739
Un Quoted Investments	86,177,560	184,960,832
SCHEDULE : G : INVENTORIES		
Raw Material	799,884,572	671,863,385
Consumable Stores	69,618,147	9,914,061
Work In Progress	2,324,268,524	1,366,203,208
Finished Stock (As per Inventories certified and valued by the Management)	42,883,140	51,995,996
Total	3,236,654,383	2,099,976,650
SCHEDULE : H : SUNDRY DEBTORS		
(Unsecured, Considered good)		
Debt Outstanding for a period exceeding 6 months	417,509,179	80,041,212
Other Debtors	1,266,546,778	908,717,289
Project Specific Debts	259,797,296	421,970,985
Total	1,943,853,253	1,410,729,486
SCHEDULE : I : CASH & BANK BALANCES		
Cash in hand	5,481,216	6,605,594
Balance with Banks		
In Current Account with Scheduled Banks	101,601,187	50,243,335
In Term Deposit of Scheduled Banks	551,004,877	664,605,749
Total	658,087,281	721,454,678
SCHEDULE : J : LOANS, ADVANCES & DEPOSITS		
Advances to Suppliers	197,462,697	230,232,301
Excise Balance	92,533,783	73,650,582
Interest Accrued But Not Due	26,080,754	34,250,737
Loans and Advances to staff	2,402,384	1,536,557
Mobilisation Advances given	131,441,815	124,387,454
Other Advances	286,437,575	7,255,804
Other Deposits	986,241,744	461,192,166
Prepaid Expenses	75,782,519	55,528,424
Service Tax Credit Available	17,956,992	9,033,682
Tax Deducted At Source And Advance Tax	518,737,416	311,384,750
VAT Credit Available	47,823,638	30,187,845
Sales tax Refund Due	57,750,929	46,750,363
Total	2,440,652,244	1,385,390,665
SCHEDULE : K : SUNDRY CREDITORS		
Creditors under Letter of credit	523,411,741	554,633,033
Creditors under Purchase Bill Discounting	537,555,391	147,986,113
Other Sundry Creditors	897,165,657	964,795,651
Total	1,958,132,789	1,667,414,796

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET

PARTICULARS	As At	As At
	31.03.2010	31.03.2009
SCHEDULE : L : OTHER LIABILITIES & PROVISIONS		
Proposed Dividend	50,055,000	33,370,000
Corporate Dividend Tax Payable	8,506,847	5,671,232
Director's Remuneration Payable	8,666,067	12,531,343
Provision for ESIC & Provident Fund	1,598,074	409,055
Provision for Expenses & Other Liabilities	16,939,535	17,744,549
Gratuity & Other Employee Benefit Payable	4,019,646	4,835,157
Provision for Income Tax	248,240,424	116,962,207
Provision for Interest on loan accrued but not due	982,981	4,259,926
Provision for Professional Tax	409,280	296,846
Provision for Salary & Wages	36,329,005	23,230,057
Provision for Service Tax	30,419,653	12,938,492
Provision for Works Contract Tax	27,582,661	2,838,758
TDS Payable (Including Interest thereon)	37,438,934	33,735,979
Unpaid Dividend	445,392	220,462
	471,633,499	269,044,062
SCHEDULE : M : ADVANCE & DEPOSITS		
Mobilisation Advance	1,394,675,722	704,425,760
Secured Advance	30,080,955	109,448,949
Security Deposits	204,063,773	121,559,739
Other Advances	44,481,071	104,780,738
Total	1,673,301,520	1,040,215,187
SCHEDULE : N : MISCELLANEOUS EXPENSES		
Preliminary Expenses	1,072,928	299,554
Less : written off/squared off	204,649	-
Total	868,279	299,554

SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT

PARTICULARS	Financial Year Ended	Financial Year Ended
	31.03.2010	31.03.2009
SCHEDULE: O : OTHER INCOME		
DEPB Entitlement	415,600	7,514,721
Dividend Received	-	30
Foreign Exchange Fluctuation Gain	36,729,547	-
Profit on Redemption of Mutual Funds	1,928	34,161,011
Sale of Scrap	25,587,731	8,049,681
Income Tax Refund	1,285	32,952
TOTAL	62,736,091	49,758,395
SCHEDULE: P : COST OF WORK DONE		
Opening Stock	2,099,976,650	1,832,899,962
Purchases	5,441,478,013	2,947,607,102
Add : Direct Expenses	2,892,062,706	3,472,005,613
	10,433,517,370	8,252,512,676
Less : Closing Stock	3,236,654,383	2,099,976,650
TOTAL	7,196,862,986	6,152,536,026

SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT

PARTICULARS	Financial Year Ended 31.03.2010	Financial Year Ended 31.03.2009
SCHEDULE: Q : PERSONNEL EXPENSES		
Contribution to PF, ESIC etc.	10,396,452	8,826,459
Director's Medical Expenses	857,793	225,566
Director's Remuneration	24,000,800	31,063,562
Director's Sitting Fees	632,875	250,000
Insurance Charges (Key man)	573,859	767,364
Salaries and wages	470,494,812	280,569,987
Staff welfare expenses	31,552,583	24,181,735
TOTAL	538,509,174	345,884,673
SCHEDULE: R : ADMINISTRATIVE, SELLING AND OTHER EXPS.		
Administration Charges	128,415	2,559,205
Advertisement Expenses	2,697,777	3,927,324
Auditors Remuneration	1,333,420	1,146,421
Carriage Outward	79,543,325	25,312,787
Commission & Brokerage Expenses	2,293,397	1,028,811
Computer & Software Expenses	4,166,914	2,607,644
Donation	11,454,690	1,975,588
Electricity Charges	45,306,844	13,880,869
Fees & Subscription	1,651,845	2,162,036
Foreign Exchange Fluctuation Loss	-	2,364,504
Insurance	34,667,038	16,714,421
Legal Fees & Professional Charges	118,498,025	109,170,165
Listing Fees	75,000	75,000
Loss on Sale of Fixed Assets	102,753	318,044
Loss on Securitisation	65,600,458	35,263,000
Pooja & Festival Expenses	2,758,333	2,410,688
Postage & Telegram and Telephone Charges	14,723,558	10,535,254
Printing & Stationery	11,485,333	7,329,957
Rates & Taxes	370,554,132	261,872,666
Registration Fees	1,901,177	298,223
Rent	46,823,715	26,579,510
Repair & Maintenance-Office	6,700,188	5,255,796
Royalty Expenses	2,234,578	4,307,236
Sales Promotion	38,596,770	29,429,306
Security Service Charges	15,362,523	9,941,911
Service Charges	503,265	1,761,931
Sundry Expenses	1,454,251	175,485
Tender Expenses	7,761,401	2,568,345
Travelling Expenses	31,408,005	23,014,350
Vehicle Expenses	49,878,035	39,068,230
TOTAL	969,665,162	643,054,709
SCHEDULE: S : FINANCE EXPENSES		
Bank Charges & Commission	26,267,795	20,246,672
Bank Commission (BG/LC)	59,699,159	70,834,641
Banking Cash Transaction Tax	13,021	128,881
Bills Discounting Charges	58,457,327	73,031,607
Interest on Finance for Vehicles & Equipments	85,997,299	20,085,630
Interest On Mobilisation	39,269,490	23,772,271
Interest Paid (Bank)	303,613,548	196,602,643
Others Interest	410,255	624,126
Less: Interest Received From Banks	(51,379,419)	(64,813,859)
TOTAL	522,348,475	340,512,612

SCHEDULE 'T' – SIGNIFICANT ACCOUNTING POLICIES & NOTES TO CONSOLIDATED ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation of Consolidated Financial Statements:

The accompanying consolidated financial statements have been prepared in compliance with the requirement of requirement of Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and Generally Accepted Accounting Principles (GAAP) in India under historical cost convention. GAAP comprise of mandatory accounting standards as specified by the Companies (Accounting Standard Rules), 2006 issued by the Central Government .

The preparation of financial statements in accordance with generally accepted accounting principles requires estimates

The subsidiaries considered in the consolidated financial statements are:

Name of the Subsidiary	Country of Incorporation	% of Shareholding
Pratibha Infrastructure Pvt. Ltd.	India	100
Prime Infrapark Pvt Ltd	India	100

Interests in Joint Ventures considered in the consolidated financial statements are:

Name of the Joint Venture	Country of Operation	Share of Interest
Petron Pratibha JV	India	100%
Pratibha Ostu Stettin JV	India	50%
Pratibha Rohit JV	India	80%
Pratibha Unity JV	India	50%
Unity Pratibha Consortium	India	100%
Unity Pratibha Multimedia JV	India	100%
ITD Pratibha Consortium	India	100%
Patel-Pratibha JV	India	100%
Pratibha Pipes & Structural Consortium	India	40%
Niraj Pratibha JV	India	50%
KBL PIL Consortium	India	100%
Pratibha GIN KJI Consortium	India	100%
Pratibha JV	India	95%
Pratibha China State JV	India	100%
Gammon Pratibha JV	India	49%
Pratibha SMS JV	India	70%

The Financial Statements of the subsidiary companies and the joint venture companies (JVCs) used in the preparation of the Consolidated Financial Statements are drawn upto the same reporting date as that of the Company i.e. 31st March, 2010.

The Financial Statements of the Company and its subsidiary companies (which are not in the nature of joint ventures) have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses in accordance with Accounting Standard 21-"Consolidated Financial Statement". The intra group balances and intra group transactions and un-realized profits or losses resulting from intra group transactions are fully eliminated.

The Consolidated Financial Statements include the interest of the Company in JVCs, which has been accounted for using the proportionate method prescribed by Accounting Standard 27-"Financial Reporting of Interest in Joint Ventures".

C. Fixed Assets and depreciation:

Fixed Assets are stated at cost less accumulated depreciation. Cost includes inward freights, duties and taxes to the extent credit is not available and incidental expenses incidental to acquisition and installation. Fixed assets purchased in foreign

currency are recorded at the actual rupee cost incurred. Cost of fixed assets also includes exchange differences arising, for period upto the date of readiness of its use, in respect of foreign currency loans or other liabilities incurred for the purpose of its acquisition. There has been no revaluation of fixed assets and no assets have been acquired on hire purchase basis during the period.

Capital Work-In-Progress is stated at the amount expended upto the date of Balance Sheet including preoperative expenditure. Cost of Software includes license fees, cost of implementation and system integration and capitalized as intangible assets in the year in which the relevant software is put to use.

Depreciation on fixed assets has been provided on Straight Line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. For addition and disposals depreciation is provided pro-rata for the year of use.

In respect of Joint Ventures & Consortiums, depreciation has been provided on written down value method at the rates and in the manner prescribed in the Income Tax Act, 1961.

D. Provision and Contingent Liabilities:

The group creates a provision when there is present obligation because of a past event that will probably result in the outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

Contingent Liabilities are disclosed when there is a possible obligation or a present obligation but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of resources is remote, no provision or disclosure is made.

Contingent assets are recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that inflow of economic benefit will arise, the asset and related income are recognized in the period in which such change occur.

NOTES ON ACCOUNTS

1. In the opinion of the Directors, the Current Assets, Loan and Advances have a value on realization in the ordinary course of the business, which is at least equal to the amount at which they are stated in the balance sheet.

2. Contingent Liability:

(Rs. in Lakhs)

Particulars	As at 31.03.2010	As at 31.03.2009
a) Unutilized Letters of Credit with Bankers - Domestic - Foreign	5099.03 1211.89	4189.00 299.90
b) Bank Guarantee	61492.22	32494.83
c) Corporate Guarantee	6721.00	9289.00
d) Securitization of receivable and not realized (Secured by hypothecation of receivable from NMMC)	—	7275.50
e) Estimated amounts of contract remaining to be executed on Capital Account and not provided for	2458.27	400.74
f) Cases in the court, which in the opinion of the management, demand no provision of liability than what is recorded in accounts.	439.89	5.6
g) Income Tax liability (excluding Penalties) that may arise. The Commissioner of Income Tax (Appeal) has allowed the claim of Section 80IA and has passed all the appeal orders in favour of the Company. The Department has filled appeal with ITAT against the orders.	2742.25	1980.03

The Company is of the opinion that claims for performance guarantee will not arise related to the projects executed previously.

3. Expenditure in Foreign Currency :

(Rs. In lakhs)

Particulars	31.03.2010	31.03.2009
On Foreign Travel	55.00	19.37
On Professional Fees	982.33	65.7
On Business Development and marketing	284.83	221.79
On Interest	39.06	216.25
On Fees & Subscription	2.78	3.66
On Import of Capital Goods (CIF Value)	270.09	5,087.53
On Import of Material & Stores (CIF Value)	1,191.02	72.81
On Freight	1.47	-
On equipment, spares and maintenance	2.08	-
Total	2,828.66	5,687.11

Segment wise Revenue, Results and Capital employed for the Year ended March 31, 2010

(Rs. In Lakhs)

Particulars	2009-10	2008-09
1. Segment Revenue		
a. Infrastructure & Construction	108,436.17	87,671.85
b. Manufacturing	18,274.19	11,598.19
c.. Unallocated	0.03	341.61
Total	126,710.38	99,611.65
Less : Inter Segment Revenue	25,367.09	18,535.38
Net Sales/Income from Operations	101,343.30	81,076.27
2. Segment Results		
a. Infrastructure & Construction	11,055.74	7,266.74
b. Manufacturing	2,011.47	1,441.42
c. Unallocated	(180.67)	240.78
Total	12,886.55	8,948.95
Interest	5,223.48	3,405.13
Income Tax	2,012.06	1,071.06
Net Profit	5651.27	4,472.76
Segment Assets		
a. Infrastructure & Construction	80,248.98	52,256.56
b. Manufacturing	18,912.63	15,496.84
c. Unallocated Corporate Assets	14,187.47	3,600.43
Total Assets	113,349.08	71,353.83
Segment Liabilities		
a. Infrastructure & Construction	68,668.48	37,684.24
b. Manufacturing	7,452.75	9,000.77
c. Unallocated Corporate Assets	9,699.11	2,196.78
Total Liabilities	85820.34	48,881.79
Capital Employed		
a. Infrastructure & Construction	11,580.50	14,034.11
b. Manufacturing	11,459.88	6,496.06
c. Unallocated Corporate Assets	4,488.36	1,938.87
Capital Expenditure		
Depreciation		
a. Infrastructure & Construction	734.63	341.59
b. Manufacturing	491.05	273.32
c. Unallocated Corporate Assets	178.65	97.66
Non Cash Expenses other than Depreciation		
a. Unallocated Corporate Assets	3.08	3.32

4. The previous year's figures have been reworked, regrouped, rearranged, and reclassified wherever necessary.

For Jayesh Sanghrajka & Co.
Chartered AccountantsAshish Sheth
(M.No. 107162)
PartnerPlace : Mumbai
Date : 07th May, 2010

For Pratibha Industries Limited

Usha B Kulkarni
ChairpersonAjit B Kulkarni
Managing DirectorVinayak B Kulkarni
Whole Time DirectorPankaj S Chourasia
Company SecretaryPlace : Mumbai
Date : 07th May, 2010

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2010

	31.03.2010 Amount Rs.	31.03.2009 Amount Rs.
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items	766,306,204	554,381,653
Adjustment for :		
Depreciation	140,433,006	71,257,097
Loss / (Profit) on Sale of Assets & Investments	100,824	(33,842,967)
Finance Charges	522,348,475	340,512,612
Unrealised Foreign Exchange	(31,089,648)	-
Dividend Received	-	(30)
Loss Of Subsidiary Company	-	14,179
Preliminary Expenses W/off.	204,649	-
Operating Profit before working Capital Changes	1,398,303,511	932,322,544
Adjustment for:		
Inventories	(1,136,677,733)	(267,076,688)
Sundry Debtors	(533,123,767)	(635,580,692)
Loans & Advances	(1,055,804,435)	(183,149,821)
Preliminary Expenses	(773,374)	(150,870)
Sundry Creditors	297,148,648	28,424,253
Other Liabilities	54,448,846	(11,486,567)
Advances & Deposits	633,086,333	(381,203,216)
	(343,391,971)	(517,901,057)
Direct Taxes Paid	(3,132,572)	(5,723,626)
Net cash used in operating activities	(346,524,543)	(523,624,683)
CASH FLOW FROM INVESTMENT ACTIVITIES		
Additions to Fixed Assets (incl. Capital Work In Progress)	(996,522,391)	(987,428,902)
Deletion to Fixed Assets	3,016,356	1,116,206
Redemption / (Purchase) of investments	(50,500,000)	886,258,301
Dividend Received	-	30
Net cash used in investing activities	(1,044,006,035)	(100,054,365)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(33,145,070)	(33,350,144)
Corporate Dividend Tax paid	(5,671,232)	(5,671,232)
Proceeds from Long Term Borrowings (Net)	893,145,665	119,379,710
Proceeds from Short Term Borrowings (Net)	994,957,364	1,037,014,138
Finance Charges paid (Net)	(522,348,475)	(340,512,612)
Net cash from Financing Activities	1,326,938,251	776,859,860
NET INCREASE IN CASH AND CASH EQUIVALENTS	(63,592,327)	153,180,811
Opening Cash and Cash Equivalents	721,234,216	568,053,405
Closing Cash and Cash Equivalents	657,641,889	721,234,216

Notes

- The above statement has been prepared in indirect method as described in AS - 3 issued by ICAI.
- Cash and Cash Equivalent

Cash and Cash Equivalent	31.03.2010	31.03.2009
Cash in hand	5,481,216	6,605,594
Balance with Banks	652,606,064	714,849,084
Less: Unpaid Dividend Balance	445,392	220,462
Total	657,641,889	721,234,216

For Jayesh Sanghrajka & Co.
Chartered Accountants

Ashish Sheth
(M.No. 107162)
Partner

Place : Mumbai
Date : 07th May, 2010

For Pratibha Industries Limited

Usha B Kulkarni Ajit B Kulkarni
Chairperson Managing Director

Vinayak B Kulkarni Pankaj S Chourasia
Whole Time Director Company Secretary

Place : Mumbai
Date : 07th May, 2010

PRATIBHA INDUSTRIES LIMITED

Regd. Off.: 101, Usha Kamal, 574, Chembur Naka, Chembur, Mumbai – 400 071

ATTENDANCE SLIP

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint shareholders may obtain additional Slip at the venue of the meeting.

DP ID/ Folio No. * _____ Client ID* _____

Name _____

Address of the Shareholder _____

No. of Shares (s) held: _____

I/We hereby record my/our presence at the **15th ANNUAL GENERAL MEETING** of the Company to be held on Wednesday, the 30th day of June, 2010 at 3.30 P.M. at Hotel Oasis, Opp. Tata Institute of Social Science, Sion Trombay Road, Deonar, Mumbai – 400 088.

Signature of the shareholder or proxy

* Applicable for investors holding shares in electronic form.

PRATIBHA INDUSTRIES LIMITED

Regd. Off.: 101, Usha Kamal, 574, Chembur Naka, Chembur, Mumbai – 400 071

PROXY FORM

DP ID/ Folio No. * _____ Client ID* _____

I/We, _____ of _____ being a member/members of Pratibha Industries Limited hereby appoint _____ of _____ or falling him/her _____ of _____ of _____ or falling him/her _____ of _____ as my/our proxy to vote for me/us and on my/our behalf at the **15th ANNUAL GENERAL MEETING** of the Company to be held on Wednesday, the 30th day of June, 2010 at 3.30 P.M. or at any adjournment thereof.

Signed this _____ day of _____ 2010

• Applicable for investors holding shares in electronic form.

Affix Re.1
Revenue
Stamp

NOTE:

- (1) The proxy in or to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.
- (2) Members holding shares under more than one folio may use photocopy of this Proxy Form for other folios. The Company shall provide additional forms on request.

Building Division





**Building
Construction Site**

**State of the Art
Green Building at
B.K.C., Mumbai**



**Completed Railway
Station Project
At Navi Mumbai**

Opening Shaft (Modak Sagar Tunnel Project)



Inside View of Malabar Hill Tunnel Project



Breakthrough of Tunnel (Malabar Hill Tunnel Project Phase II)





Pratibha Industries Limited

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