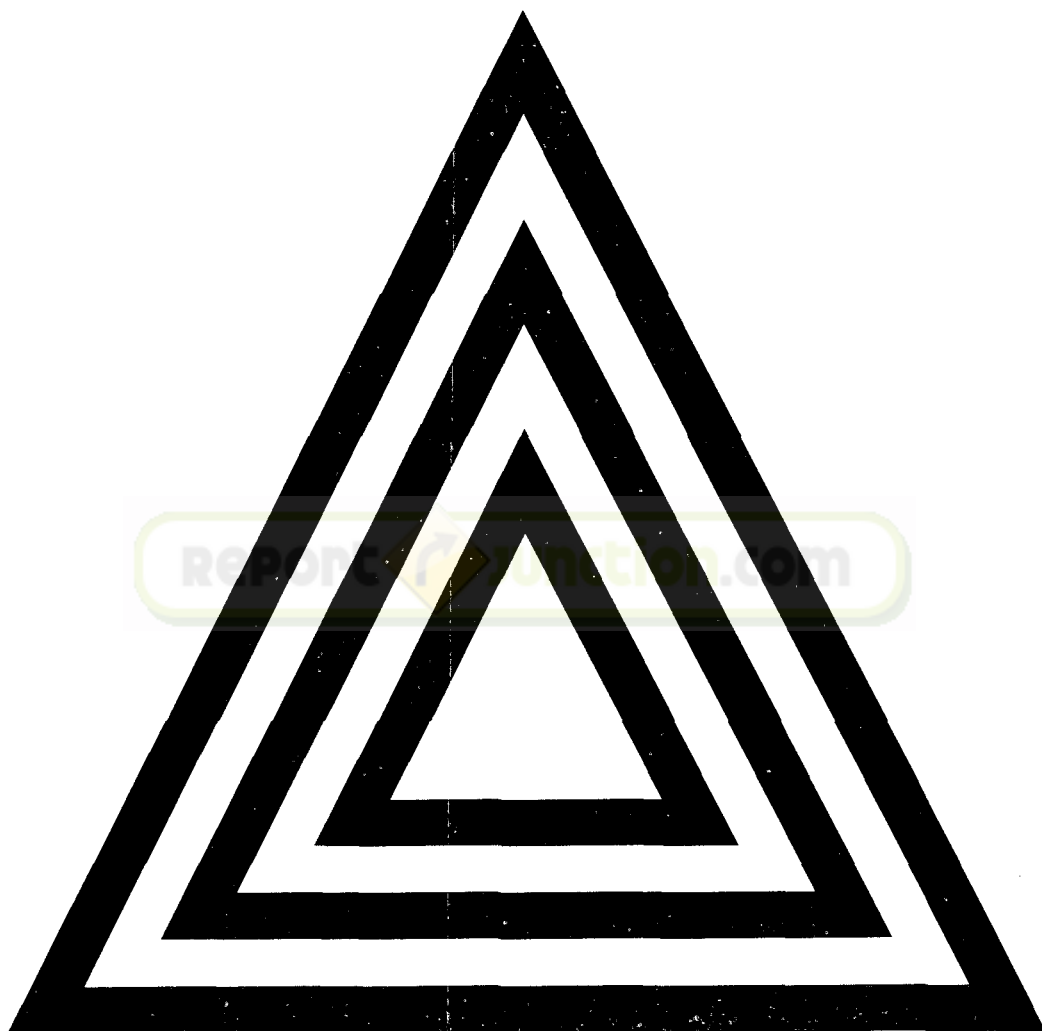


PRABHAV INDUSTRIES LIMITED



**ANNUAL REPORT
2009**

PRABHAV INDUSTRIES LIMITED

(Formerly: Empire Unifor Software Solutions Limited)

Board of Directors

Shri Jayesh Thakkar
Shri. Yatin Thakkar
Shri Bhavesh Desai
Shri Manoj Nayak
Shri. Santosh R Kahar
Shri Chirag N Gada

Registered Office

Chinoi Building, Station Road, Vadodara – 390 002

Corporate Office

9th floor, Galav Chamber, Sayajiganj, Vadodara 390 005

Auditors

M/s. Mahendra P. Shah & Co

Chartered Accountants

224, Unique Trade Centre, Opp. Hotel Surya,
Sayajiganj, Vadodara 390 005

Company Law Advisor

M/s. D. Pathak & Associates

Practicing Company Secretaries

204/5 Garden View, Nr. Kamati Baug Circle,
Sayajiganj, Vadodara 390 005

Registrar & Share Transfer Agent

M/s. Link-Intime India Pvt. Ltd.

1st Floor, 308, Jaldhara Complex, Manisha Chokdi, O P Road, Vadodara 390015

Bankers

Bank of Baroda, Sayajiganj, Vadodara
United Bank of India, Raopura, Vadodara
Punjab National Bank, Mahajangali, Vadodara
Dena Bank, Vadodara

NOTICE

Notice is hereby given that the Annual General Meeting of the Members of Prabhav Industries Limited will be held on Wednesday, September 30th, 2009 at 11.00 a.m. at the Registered office of the Company situated at Chinoi Building, Station Road, Vadodara to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider & adopt the Audited Balance Sheet as at 31st March 2009 and Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Santosh Kahar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To delay for time being, the appointment of Director in place of Mr. Manoj Nayak who retires by rotation but due to time constraint does not offer himself for re-appointment.
4. To appoint M/s Mahendra P Shah & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

5. Subdivision of Shares

To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary resolution:

"RESOLVED THAT, pursuant to the provisions of sections 16, 94(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment to or re-enactment thereof for the time being in force), enabling provisions in the Articles of Association of the Company and relevant guidelines issued by the Securities and Exchange Board of India (SEBI) and other authorities as may be applicable in respect of subdivision of shares into smaller denomination, consent of the Company be and is hereby accorded to the Board of Directors of the Company to sub-divide 1,15,00,000 (One Crores Fifteen Lacs) Equity Share of the nominal value of Rs. 10/- (Rupees Ten only) each in the share capital of the Company into 11,50,00,000 (Eleven Crores Fifty Lacs) Equity Shares of the nominal value of Rs. 1/- (Rupees One only) each.

"RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association of the Company, relating to share capital, be and is hereby altered by deleting the same and substituting in its place instead, the following as new Clause V:

The Authorized Share Capital of the Company is Rs. 11,50,00,000/- (Rupees Eleven Crore Fifty Lacs only) consisting of 11,50,00,000 (Twenty Eleven Crore Fifty Lacs only) Equity Shares of Rs. 1/- (Rupees One only) each "

"RESOLVED FURTHER THAT, each issued Equity Share of face value of Rs. 10/- each be Sub-divided into 10 equity shares of the face value of Re. 1/- each and the Board of Directors of the Company be and are hereby authorized to issue new Share Certificates representing the sub-divided Equity Shares with new distinctive numbers, consequent to the subdivision 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 Director(s) or Company Secretary, to give effect to the aforesaid resolution."

"RESOLVED FURTHER THAT, for the purpose of giving effect to the above resolution, the Board of Directors of the company be and is hereby authorized to make such other applications to the appropriate authorities and to do all acts, deeds, matters and things in connection therewith and incidental thereto as may be considered necessary, desirable or expedient to give effect to this resolution."

6. Reissue of Forfeited Shares.

To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT, in accordance with the provisions, if any, of the Companies Act, 1956, (including any amendment to or re-enactment thereof for the time being in force) and in terms of the provisions of the Memorandum and Articles of Association of the Company which may be considered appropriate by the Board of Directors of the Company the

consent of the Company be and is hereby accorded to the Board to offer, issue, allot and deliver 46,71,400(Rs.10/- Each) Equity Shares Forfeited by the Company on January 6, 2004 and the said shares be issued at such appropriate time and at such price which the Board may think fit".

"RESOLVED FURTHER THAT, the Board is further authorised to make such offer of Equity Shares through letter of offer or any other mode thereof, to all the existing shareholders in the appropriate proportion on the following terms and conditions:

- i) That the offer shall be made to all existing shareholders whose name appear in the Register of Members as on the record date.
- ii) That the offer shall not have the right of renunciation.
- iii) That the Board of Directors are empowered to dispose of the shares in the manner most beneficial to the Company in case where the shares are not subscribed in favour of any other person within the time limit.
- iv) That the entire amount shall be payable in one time along with the application.

"RESOLVED FURTHER THAT, the unsubscribed equity shares, remaining if any, will be offered to any person(s) / company (ies) / other entities at the price(s), as may be decided by the Board or Committee, subject to approval(s) under the Companies Act, 1956 and Listing Agreement, as may be required".

"RESOLVED FURTHER THAT, for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as the Board may in its absolute discretion consider necessary, proper, expedient, desirable or appropriate for making the said reissue as aforesaid including without limitation signing of all applications, filings, deeds, documents and writings required to be filed with any statutory authority (ies) and to settle any question, doubt or difficulty that may arise in regard to the offer, issue and allotment of Securities.

"RESOLVED FURTHER THAT, the Board be and is hereby authorized to enter into and execute agreements with Registrars and Bankers and all such other agencies as may be involved or concerned and to remunerate all such agencies by way of commission, brokerage, fees, expenses incurred in relation to the issue of securities and other expenses, if any."

"RESOLVED FURTHER THAT, the Equity Shares to be allotted in terms of this Resolution shall rank pari passu in all respects with the existing Equity Shares of the Company."

"RESOLVED FURTHER THAT, the Board be and is hereby authorized to delegate any or all the powers conferred upon it by this resolution, to any committee formed thereof for this purpose or to any individual so authorized by the Board."

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The relative explanatory statement pursuant to section 173(2) of the Companies Act, 1956 setting out the material facts concerning the special business mentioned under item Nos. 5 & 6 of the Notice are annexed hereto.
3. Corporate Members, Societies, partnership firms, etc. intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Register of Members and the Shares Transfer Books of the Company will be closed from Monday, September 28, 2009 to Wednesday, September 30, 2009 (both days inclusive).
5. Members/Proxies are requested to bring the copy of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting.
6. Members are requested to address all the documents, transfer deeds, demat requests, and other communications with respect to shares in physical mode to the Registrar & Share transfer Agents of the Company, M/s. Link-Intime India Pvt. Limited, 1st Floor, 308, Jaldhara Complex, Mansiha Chokdi, O.P. Road, Vadodara, directly quoting their full name, Folio No. and Name of the Company.
7. Members are requested to intimate all changes pertaining to their Bank details, ECS, mandates, nominations, power of attorney, change of address/notice, etc.:
 - a) To their Depository Participants (DPs) in respect of their electronic share accounts.

- b) To the Company's Registrar & Share Transfer Agents M/s. Link-Intime India Private Limited in respect of their physical share folios, if any.

By order of the Board of Directors
For Prabhav Industries Limited

Date : **September 7, 2009**
Place : **Baroda**

Sd/-
Chairman

EXPLANATORY STATEMENT IN RESPECT OF ITEMS NOS. 5 & 6 OF THE NOTICE PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No 5

The Board of Directors of the Company at its meeting held on 7th September, 2009 decided to Sub divided the Authorised capital of the Company from 1, 15, 00,000(One Crores Fifteen Lacs) Equity Share of the nominal value of Rs. 10/- (Rupees Ten only) each in the share capital of the Company into 11,50,00,000 (Eleven Crores Fifty Lacs) Equity Shares of the nominal value of Rs. 1/- (Rupees One only) each.

Consequent to the above it is necessary to alter the Capital Clause of the Memorandum of Association of the Company:

The Ordinary Resolution in Item No 6 seeks to make corresponding amendments in Clause V of the Memorandum of Association of the Company to give effect to the sub-division of the shares.

The Ordinary Resolution set out in Item No. 6 of the accompanying notice is recommended by the Board for the approval of the members.

Item No 6.

The Board of Directors at its meeting held on September 7, 2009 decided to reissue 46, 71,400 duly forfeited Shares of Rs. 10 each to all the shareholders of the Company on proportionate basis, at such appropriate time, or at such appropriate price

The Equity shares shall be offered to all the existing shareholders whose names appear in the Register of Members on the record date.

The equity shares are being offered to the shareholders as held by them on the Record Date by the Equity shareholders.

The unsubscribed equity shares, remaining if any, will be offered to any person(s) / company (ies) / other entities at the price(s), as may be decided by the Committee or Board, subject to approval(s), under the Companies Act, 1956 and Listing Agreement, as may be required. The proposed Equity Shares would also be listed at the same Stock Exchanges where the Companies Shares are currently Listed.

The Offer along with the application will be send to all the existing shareholders .The shares offered shall not have the right of renunciation.

The Board of Directors of your Company recommends the resolution for your approval. None of the Directors is in anyway concerned or interested in the proposed resolution.

By order of the Board of Directors
For Prabhav Industries Limited

Date : **September 7, 2009**
Place : **Baroda**

Sd/-
Chairman

DIRECTORS REPORT

Dear Members:

Your Directors present our company's Annual Report together with the Audited Statement of Accounts for the Financial year ended 31st March 2009

(1) FINANCIAL AND WORKING RESULTS;

PARTICULAR	2008-09(Rs.)	2007-08 (Rs.)
Gross Profit(loss) before taxation and depreciation.	(370876)	411149
Depreciation	(54904)	(152750)
Profit/(loss) Before taxation	(425780)	258579
(Less) Provision for FBT	(5480)	NIL
Net Profit / (Loss)	(431260)	258579
(Less) Provision for the year 2007-08		
Current Tax	(254842)	NIL
FBT	(10491)	NIL
Add/(less): Balance Brought Forward	(7728441)	(7987020)
Balance carried to balance sheet	(8425034)	(7728441)

Alround depression during the year and consequent pressure on margin, the company has incurred loss. However, with the melting down of recessionary effects, your Directors are optimistic for better future.

(2) DEPOSITS: The Company has not accepted any deposits from the public

(3) DIVIDENDS: In view of losses, your Directors do not recommend any dividend.

(4) FUTURE OUTLOOK: As you are aware, the company has been in the process of putting up the mini steel plant for manufacture of MS Ingots. In view of turbulent economy world over, in the last year commissioning of the project was delayed. However, now with all major equipment are in place, your Directors are optimistic. We are hopeful of starting commercial production by December 2009.

(5) PARTICULARS OF EMPLOYEES: There are no employee drawing remuneration of Rs. 24,00,000 or more per annum or Rs. 2,00,000 per month for any part of the year and hence no particulars are required to be furnished under section 217(2A) of the Companies Act, 1956.

(6) PARTICULARS RELATING TO CONSERVATION OF ENERGY

A. CONSERVATION OF ENERGY; Company does not have material information required under Section 217(1(e) of the companies act 1956 read with the companies (disclosures of Particulars in the Board of Directors) Rules, 1988 to offer and hence no particulars have been furnished.

B. FOREIGN EXCHANGE EARNING AND OUTGO; During the year the company has neither earned nor spent any foreign exchange.

(7) DIRECTORS' RESPONSIBILITY STATEMENT;

(i) Your Directors have followed the applicable accounting standards along with proper explanation relating to material departure, if any, while preparing the annual account:

- (ii) Your Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of financial year and of the loss of the company for the period.
- (iii) Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) Your Directors have prepared the annual accounts on a going concern basis.

DIRECTORS: Mr. Santosh Kahar and Mr. Manoj Nayak, Directors of the company retire by rotation at the ensuing Annual General Meeting. Mr. Santosh Kahar offers himself for reelection. Mr. Shailesh Parikh has resigned from the Directorship of the company.

- (8) **AUDITORS;** M/s. Mahenda P. Shah & Co. Chartered Accountants, Vadodara, Auditors of the company retire at the conclusion of this Annual General Meeting and being eligible to offer themselves for reappointment. You are requested to appoint Auditors and fix their remuneration.
- (9) **AUDITORS REMARKS:** Observations of Auditors in their report are self Explanatory.
- (10) **CORPORATE GOVERNANCE:** As required under clause 49 of the Listing Agreement with the Stock Exchanges, the Report on "Corporate Governance together with the Auditors" Certificate regarding compliance of the Code of Corporate Governance is annexed herewith.
- (11) **LISTING OF COMPANY SHARES:** Your Directors are pleased to state that Bombay Stock Exchange has made revocation of suspension of our company shares and has been permitted to trade w.e.f. 27 August, 2009.
- (12) **ACKNOWLEDGEMENTS:** Your Directors take this opportunity to express their gratitude to employees, bankers, Government Organisations and shareholders for their valuable support and cooperation.

For and on behalf of the Board
JAYESH THAKKAR
CHAIRMAN

Place: Vadodara

Date : 7th September, 2009

AUDITORS' CERTIFICATE

We have examined the attached cashflow statement of Prabhav Industries Limited for the year ended 31st March 2009. The Statement has been prepared by the company in accordance with the requirements of listing agreement Clause 32 with the Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the company covered by our Report of 27th August 2009 to the company.

For Mahendra P. Shah & Co
Chartered Accountants
MP SHAH
Proprietor, M. No. 45149

Place : VADODARA

Date : 27th August 2009

Report on corporate governance for the year 2008-09
(as required under Clause 49 of the Listing Agreement entered
into with the Stock Exchanges

1. Company's Philosophy

The Company firmly believes in and will constantly endeavour to practice good corporate governance. .

2. Board of Directors:

i. **Composition**

The Board of Directors of the company comprises of 6 Directors. The composition of the Board of Directors as on 31st March 2009 and the number of other Directorships/Committee Memberships held by them is as under:

Sr No.	Name of Director	Executive/Non-Executive/Independent	No of other Directorship	No of Board/Committee held in other companies
1	Mr. Jayesh Thakkar	P/ED	3	-
2	Mr. Yatin Thakkar	NED/ID	-	-
3	Mr Bhavesh Desai	NED/ID	-	-
4	Mr. Manoj Naik	NED/ID	-	-
5	Mr. Santosh Kahar	NED/ID	-	-
6	Mr. Chirag N Gada	NED/ID	-	-

P: Promoters; NED: Non-executive Director,, ED Executive Director, ID Independent Director

- (i) **Number of Board of Directors Meetings held and dates on which held:** The Board of Directors met four times during the financial year 2008-09; i.e on 30/4/2008, 30/7/2008, 31/10/2008 & 31/01/2009.
- (ii) **Remuneration to the Directors for the Financial Year 2008- 2009:** No remuneration was paid to any Director towards sitting fee during the year under review.

Code of Conduct for Board of Directors and Senior Management Personnel: The company has adopted a code of conduct for Board of Directors and senior management (The Code). The Code has been communicated to all concerned by the compliance officer Mr Bhavesh Desai.

3. Audit Committee:

A. Composition

The Audit Committee comprising of Mr. Yetin Thakkar , (Chairman of the Committee); Mr. Bhavesh Desai and Mr.Chirag Gada.. The Committee held 4 meetings during the year and all the meetings were attended by all Members.

Role of audit Committee:

The Audit Committee is empowered to deal with all matters as specified in Section 292A of the Companies Act 1956 read with Clause 49 of the Listing Agreement.

4. Shareholders/investor Grievance and Share Transfer Committee: The Committee consists of 3 Directors. The composition of the Committee is as under:

Shri. Bhavesh Desai (Chairman) ' Mr. Yetin Thakkar And Mr. Chirag Gada.

Committee met 5 times during the year.