

PIERLITE INDIA PVT.LTD.

Rakhial Road,

Ahmedabad 380 023

**ANNUAL REPORT FOR THE YEAR ENDED
30th JUNE 2008**

PIERLITE INDIA PRIVATE LIMITED

Balance Sheet as at June 30th, 2008

Amount in Rs

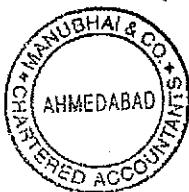
Particulars	Schedule	As at June 30th, 2008	As at June 30th, 2008	As at June 30th, 2007	As at June 30th, 2007
I SOURCES OF FUNDS					
1 Shareholders' Funds:					
(a) Share Capital	A	194,695,545		165,035,200	
(b) Share Application Money		6,744,000		34,668,330	
(c) Equity Suspense Account				1,736,015	
(d) Reserves & Surplus	B	13,327,270		13,327,270	
			214,766,815		214,766,815
2 Loan Funds:					
(a) Secured Loans	C	26,941,037		33,504,510	
(b) Unsecured Loans	D	1,482,179		1,429,499	
(c) Deferred Payment Liabilities	E	951,048		1,293,959	
			29,374,264		36,227,968
TOTAL			244,141,079		250,994,783
II APPLICATION OF FUNDS					
1 Fixed Assets:	F				
(a) Gross Block		220,850,614		207,189,570	
(b) Less: Accumulated Depreciation		141,112,132		91,482,473	
(c) Net Block			79,738,482		115,707,097
Capital work in progress			912,546		0
2 Investments	G		5,079,383		28,110
3 Deferred Tax					
(a) Deferred Tax Assets		12,526,238		21,226,729	
(b) Less: Deferred Tax Liabilities		12,526,238		21,226,729	
(c) Net Assets			0		0
4 Current Assets, Loans & Advances:	H				
(a) Inventories		88,702,062		66,863,366	
(b) Sundry Debtors		55,383,073		44,902,953	
(c) Cash & Bank Balances		18,046,145		28,093,347	
(d) Other Current Assets		190,836		214,915	
(e) Loans & Advances		21,265,147		21,067,692	
		183,587,263		161,142,273	
Less: Current Liabilities & Provisions:	I	63,962,260		47,183,985	
		63,962,260		47,183,985	
Net Current Assets			119,625,003		113,978,288
5 Profit & Loss Account			38,785,665		21,281,288
TOTAL			244,141,079		250,994,783
Significant Accounting Policies	O				
Notes on Accounts	P				

As per our report of even date,

For, Manubhai & Co.
Chartered Accountants

(J. D. Shah)
Partner

Place: Ahmedabad
Date: 20/01/2009



William R. Henderson
Chairman

Place: Adelaide
Date: 10/01/2009

Rakesh Kasiwal
Managing Director

Place: Ahmedabad
Date: 15/01/2009

Robert Gerard
Director

Simon Gerard
Director

Jigish R Parikh
Company Secretary

PIERLITE INDIA PRIVATE LIMITED

Profit and Loss Account for the Period from July 1st, 2007 to June 30th, 2008

Amount in Rs

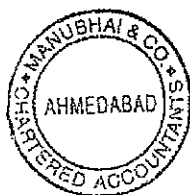
Particulars	Schedule	For the Year ended on 30th June 2008	For the Year ended on 30th June 2007
INCOME			
Income from Operations	J	282,618,318	193,029,288
Other Income	K	18,707,129	39,039,437
Increase / (Decrease) in stock	L	7,420,994	626,807
Exchange Fluctuation Gain - Operational		272,353	-
Total Income		309,018,794	232,695,532
EXPENDITURE			
Purchase of Trading Goods		71,171,514	68,773,585
Manufacturing Expenses	M	165,497,268	99,452,929
Administrative & Other Expenses	N	33,906,103	30,233,889
Interest		3,913,259	4,444,739
Depreciation		51,359,514	10,712,917
Exchange Fluctuation Loss		-	63,379
Total Expenditure		325,847,658	213,681,437
Operating Profit / (Loss) for the year		(16,828,864)	19,014,095
Less: Miscellaneous Expenditure Written off		0	1,072,250
Profit / (Loss) before Taxation		(16,828,864)	17,941,845
Less : (Add) Provision for Taxation			
Wealth Tax		1,124	0
Fringe Benefit Tax		674,389	644,079
Deferred Tax (Refer Note no 6 of Schedule P)			0
		675,513	644,079
Net Profit / (Loss) for the year		(17,504,377)	17,297,766
Add:			
Balance of Loss brought forward from earlier years		(21,281,288)	(28,094,305)
Accumulated losses of erstwhile PLIPL on account of merger			(10,484,749)
		(21,281,288)	(38,579,054)
Balance of Loss carried to Balance Sheet		(38,785,665)	(21,281,288)
Earnings per Share of face value of Rs 5/- - Basic		(0.46)	0.52
Significant Accounting Policies	O		
Notes on Accounts	P		

As per our report of even date,

For, Manubhai & Co.
Chartered Accountants

(Signature)
(J. D. Shah)
Partner

Place: Ahmedabad
Date: 20/01/2009



William R. Henderson
Chairman

Place: Adelaide
Date: 10/01/2009

(Signature)
Rakesh Kasliwal
Managing Director
Place: Ahmedabad
Date: 15/01/2009

Robert Gerard
Director

Simon Gerard
Director

(Signature)
Jigish R Parikh
Company Secretary

PIERLITE INDIA PRIVATE LIMITED

Schedules forming part of Balance Sheet as at June 30th, 2008

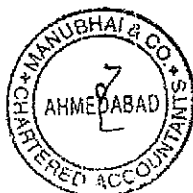
Particulars	Amount in Rs	
	As at June 30th, 2008	As at June 30th, 2007
SCHEDULE 'A'		
SHARE CAPITAL		
Authorised 7,60,00,000 Equity shares of Rs 5/- each (Previous Year 7,60,00,000 of Rs 5/- each)	380,000,000	380,000,000
	380,000,000	380,000,000
Issued 3,89,39,109 Equity shares of Rs 5/- each - fully paidup (Previous Year 3,30,07,040 of Rs 5/- each fully paidup)	194,695,545	165,035,200
	194,695,545	165,035,200
Paidup 3,89,39,109 Equity shares of Rs 5/- each - fully paidup (Previous Year 3,30,07,040 of Rs 5/- each paidup)	194,695,545	165,035,200
TOTAL	194,695,545	165,035,200
Notes:		
1(a) Out of above equity shares - 59,02,500 equity shares of Rs 5/- each at par were issued as fully paid up shares for consideration other than cash.		
(b) 3,47,203 (Previous year Nil) equity shares of Rs 5/- each at par were issued to the amalgamating company as fully paid-up shares for consideration other than cash		
2 All the above Equity shares are being held by the ultimate holding company Gerard Corporation Pty.Ltd.		
SCHEDULE 'B'		
RESERVES & SURPLUS		
(i) Capital Reserve Balance as per last year	1,175,153	1,175,153
	1,175,153	1,175,153
(ii) Amalgamation Reserve Balance as per last year Add: Addition during the year	12,152,117 -	12,152,117
	12,152,117	12,152,117
TOTAL	13,327,270	13,327,270



PIERLITE INDIA PRIVATE LIMITED

Schedules forming part of Balance Sheet as at June 30th, 2008

Particulars	As at June 30th, 2008	Amount in Rs As at June 30th, 2007
SCHEDULE 'C' SECURED LOANS		
Cash Credit Loan From Bank:	26,941,037	33,504,510
Bill Discounting		
TOTAL	26,941,037	33,504,510
Notes:		
1 Cash Credit is secured by hypothecation of all tangible movable assets of the Company, including in particular, all types of stocks of raw materials, component parts, stores and spares, finished goods, stock-in-process, movable assets and book debts. Further secured by equitable mortgage of company's immovable properties situated at : 1) F.P. 60/61 at Rakhial Road, Ahmedabad 2) Village :Uchhad in Jambusar Taluka of District Bharuch 3) At & PO : Kalyanpur in Dist. Jamnagar		
SCHEDULE 'D' UNSECURED LOANS		
Deposits from Dealers	1,482,179	1,429,499
TOTAL	1,482,179	1,429,499
SCHEDULE 'E' DEFERRED PAYMENT LIABILITY		
Deferred payment Liabilities for purchase of Motorcars (Installments due within one year Rs.724050/- previous year Rs.7,47,600/-).	951,048	1,293,959
TOTAL	951,048	1,293,959



Schedules forming part of Balance Sheet

SCHEDULE 'F'
FIXED ASSETS

Amount in Rs.

Sr. No.	Description	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
		As at July 1st 2007	Additions during the year	Deduction during the year	As at June 30th 2008	As at July 1st 2007	Additions during the year	Deduction during the year	Additional Depreciation	As at June 30th 2008	As on June 30th 2007
1	Land	19,259,324			19,259,324	-				19,259,324	19,259,324
2	Buildings	25,752,530	2,598,345		28,350,875	9,197,662	1,055,107		12,799,901	5,298,205	16,554,868
3	Plant & Machinery	84,612,550	9,526,603	1,219,900	92,919,253	50,453,112	3,636,106	1,182,959	14,090,146	25,922,848	34,159,438
4	Tools & Moulds	63,175,164	3,027,513		66,202,677	25,779,937	3,640,356		12,526,279	24,256,105	37,395,227
5	Vehicles	5,704,335	386,301	762,419	5,328,217	1,847,033	704,649	546,896	1,060,070	2,263,361	3,857,302
6	Furniture & Fixtures	8,685,666	104,602		8,790,268	4,204,729	376,412		1,470,486	2,738,641	4,480,937
	TOTAL	207,189,569	15,643,364	1,982,319	220,850,614	91,482,473	9,412,630	1,729,855	41,946,882	141,112,130	115,707,096
	Previous Year	198,729,692	10,398,109	1,938,231	207,189,570	81,236,514	11,324,607	1,078,648		91,482,473	115,707,097
	Capital W.I.P									912,546	-

Note: Capital WIP Includes

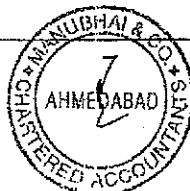
1 ERP Software & Installation Charges (Phase II) Rs.912,546



PIERLITE INDIA PRIVATE LIMITED

Schedules forming part of Balance Sheet as at June 30th, 2008

		Amount in Rs	
Particulars	As at June 30th, 2008	As at June 30th, 2007	
SCHEDULE 'G'			
INVESTMENTS			
In Shares:			
a) Quoted			
6214 (Previous Year 6750) Equity Shares of Marathon Nextgen Realty & Textile Ltd of Rs 10/- each fully paid up. (Market Value Rs. 22,56,614) (Previous Year Rs 1,11,93,863.00) (See Note 3 in Schedule P Received as bonus shares)	Nil	Nil	
b) Unquoted			
Other than Trade			
20000 (Previous Year 20000) Equity Shares of Pyarelal Textile Ltd of 10/- each fully paid up.	14,000	14,000	
20000 (Previous Year 20000) Equity Shares of Niranjan Piramal Textile Mill Ltd of Rs 10/- each fully paid up.	14,000	14,000	
1 (Previous Year 1) Equity Share of Textile Traders Co-operative Bank Ltd of Rs 10/- each fully paid up.	10	10	
1 (Previous Year 1) Equity Share of Nutan Nagrik Sahkari Bank Ltd of Rs 100/- each fully paid up.	100	100	
Current Investment			
233165 Units of Rs 10 Each (Previous Year Nil) ABN AMRO Flexible short Plan Series B Growth Ren (NAV Rs.2572211/- Previous Year Nil)	2,551,273	0	
250000 Units of Rs 10 Each (Previous Year Nil) ABN AMRO Interval Fund Quaterly Plan I Monthly Div-Red (NAV Rs.2502925/- Previous Year Nil)	2,500,000	0	
TOTAL	5,079,383	28,110	
SCHEDULE 'H'			
CURRENT ASSETS, LOANS & ADVANCES			
(A) CURRENT ASSETS:			
INVENTORIES			
(As valued and certified by the management)			
i) Stores & Spares (At cost)	324,172	357,007	
ii) Stock in trade			
(a) Raw Materials	34,966,971	20,516,434	
(b) Finished Goods	37,086,214	29,980,677	
(c) Stock-in-process	16,324,705	16,009,248	
	88,377,890	66,506,359	
TOTAL	88,702,062	66,863,366	
SUNDRY DEBTORS:			
(Unsecured, Considered good unless otherwise stated)			
i) Outstanding for a period exceeding six months			
Considered good	7,969,377	8,257,608	
Considered doubtful	14,252,715	11,492,715	
	22,222,092	19,750,323	
ii) Others (Considered good)	47,413,696	36,645,345	
	69,635,788	56,395,668	
Less: Provision for doubtful debts	14,252,715	11,492,715	
TOTAL	55,383,073	44,902,953	



PIERLITE INDIA PRIVATE LIMITED

Schedules forming part of Balance Sheet as at June 30th, 2008

		Amount in Rs	
Particulars		As at June 30th, 2008	As at June 30th, 2007
SCHEDULE 'H'			
(Continued)			
CASH & BANK BALANCES:			
Cash in Hand		311,971	212,988
Balance with Scheduled Banks:			
i) In Current Accounts		5,373,309	3,110,320
ii) In Fixed Deposit Accounts		12,360,865	24,770,039
TOTAL		18,046,145	28,093,347
OTHER CURRENT ASSETS:			
Interest Accrued on fixed deposits		190,836	214,915
TOTAL		190,836	214,915
(B) LOANS & ADVANCES			
(Unsecured, Considered good unless otherwise stated)			
i) Advances recoverable in Cash or kind or for value to be received		13,996,324	14,324,112
ii) Advance Income Tax (Net of provision)		399,707	201,279
iii) Advance Fringe Benefit Tax		674,389	517,530
iv) Deposits		6,194,727	6,024,771
TOTAL		21,265,147	21,067,692
TOTAL CURRENT ASSETS, LOANS & ADVANCES		183,587,263	161,142,273
SCHEDULE 'I'			
CURRENT LIABILITIES & PROVISIONS:			
(A) CURRENT LIABILITIES			
Sundry creditors			
(i) Due to Small Scale Industrial Undertakings		2,048,508	9,236,363
(ii) Others		53,928,131	29,912,994
		55,976,639	39,149,357
Other liabilities		7,310,108	7,370,550
TOTAL		63,286,747	46,519,907
(B) PROVISIONS			
Wealth Tax		1,124	-
Fringe Benefit Tax		674,389	644,079
TOTAL		675,513	644,079
TOTAL - CURRENT LIABILITIES & PROVISIONS		63,962,260	47,163,986
Note : No amount is due and outstanding as on 30.06.2008 to be transferred to Investors Education and Protection Fund.			

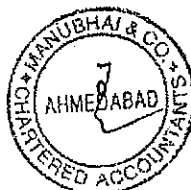


PIERLITE INDIA PRIVATE LIMITED

Schedules forming part of Profit and Loss Account

Amount in Rs

Particulars	For the year ended on June 30th, 2008	For the year ended on June 30th, 2007
SCHEDULE 'J'		
INCOME FROM OPERATIONS:		
Sales	303,279,612	206,900,646
Wind Mill power Sale	1,791,032	2,945,240
	305,070,644	209,845,886
Less: Excise Duty	22,452,326	16,816,597
TOTAL	282,618,318	193,029,288
SCHEDULE 'K'		
OTHER INCOME		
Interest (Gross)	1,085,755	1,047,194
(Tax deducted at source Rs 224546 (Previous Year Rs 53913.00)		
Insurance Claims	25,521	83,654
Miscellaneous Income	3,371,958	2,597,672
Commission	6,657,819	4,085,986
Liability no longer required written back	509	20,683,500
Profit on Sale of Investments	7,124,365	10,541,430
Profit on Sale of fixed assets	441,202	-
TOTAL	18,707,129	39,039,437
SCHEDULE 'L'		
INCREASE / (DECREASE) IN STOCK		
a. Finished Goods		
Closing Stock	37,086,214	29,980,677
Less: Opening Stock	29,980,677	27,493,004
	7,105,537	2,487,673
b. Stock-in-progress		
Closing	16,324,705	16,009,248
Less: Opening	16,009,248	17,870,114
	315,457	(1,860,866)
Increase / (Decrease) in stock	7,420,994	626,807



PIERLITE INDIA PRIVATE LIMITED

Schedules forming part of Profit and Loss Account

Amount in Rs

Particulars	For the year ended on June 30th, 2008	For the year ended on June 30th, 2007
SCHEDULE 'M'		
MANUFACTURING EXPENSES		
Raw material consumed	104,139,777	54,373,189
Stores & spares consumed	2,117,721	925,965
Packing Materials consumed	2,222,001	1,371,977
Sales Tax	10,041,785	10,226,958
Repairs & Maintenance to :		
Machinery	876,928	582,460
Buildings	416,866	137,715
Other Assets	111,019	286,688
	1,404,813	1,006,863
Power & Fuel	3,636,270	3,225,014
Payments to & Provision for Employees :		
Wages, Salaries and Bonus	38,993,389	26,463,154
Contribution to Provident Fund, ESI & Other Fund	1,783,631	1,117,110
Staff Welfare Expenses	444,480	305,552
	41,221,500	27,885,816
Wind Mill maintenance exp.	713,401	437,147
TOTAL	165,497,268	99,452,929
SCHEDULE 'N'		
ADMINISTRATIVE AND OTHER EXPENSES		
Rent	4,359,872	3,839,353
Rates & Taxes	626,907	141,996
Insurance	1,067,268	1,088,833
Advertisement	975,691	1,366,526
Traveling Expenses	2,727,391	2,080,014
Directors' Traveling Expenses	938,021	901,554
Consultancy Expenses	1,769,584	1,347,956
Telephone / Fax Expenses	1,567,716	1,440,455
Commission	-	104,666
Discount	1,458,045	753,473
Miscellaneous Expenses	11,788,502	11,335,493
Bad debts written off	387,022	1,083,341
Provision for doubtful debts	2,760,000	2,500,000
Freight & Cartages	3,471,163	1,446,697
Security Transaction Tax	8,919	12,449
Loss on sale of fixed assets	0	791,083
TOTAL	33,906,103	30,233,889



PIERLITE INDIA PRIVATE LIMITED

SCHEDULES ATTACHED TO FINANCIAL STATEMENTS FOR THE
YEAR ENDED ON 30th JUNE, 2008

SCHEDULE 'O'
SIGNIFICANT ACCOUNTING POLICIES

1. Basis Of Preparation Of Financial Statements:

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

2. Recognition Of Income / Expenditure:

(a) All income & expenditure are recognised and accounted on Accrual basis except guarantee commission and discount charges. Insurance claims are accounted on finalization of the same.

(b) Expenses :

All material and known liabilities are provided for on the basis of available information / estimates.

3. Fixed Assets And Depreciation:

(a) Fixed Assets :

Fixed assets include all expenditure of capital nature and are stated at cost (Net of cenvat, wherever applicable) less depreciation.

(b) Depreciation :

(i) Depreciation on fixed assets is provided as per Written Down Value method as laid down u/s 205(2) (a) at the rates prescribed in Schedule XIV to the Companies Act 1956.

(ii) Assets item severally less than Rs. 5,000/- procured during the year are depreciated at 100%.

(iii) Depreciation on addition/disposal of the assets during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

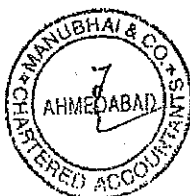
4. Inventories:

(a) Finished goods are valued at cost or net realisable value whichever is lower. For this purpose the cost is ascertained on weighted average method.

(b) The stock of raw materials, own manufactured components, work in progress and other stocks are valued at cost or net realisable value whichever is lower. Cost is ascertained on weighted average method.

(c) The stock of stores is valued at cost.

(d) Obsolete, defective and unserviceable stocks are duly provided for.



5. Sales:

Sales include amounts recovered towards Excise Duty and Sales Tax.

6. Investments :

Long term investments are stated at cost and current investment are stated at lower of cost or fair market value. However diminution in the value of Long Term investment other than of temporary nature is duly provided for.

7. Research & Development:

Revenue expenditure on Research & Development is charged to the Profit & Loss account in the year in which it is incurred.

8. Foreign Currency Transactions:

Foreign currency transactions settled during the year are accounted at equivalent rupee value paid. However, year- end balances on account of unsettled transactions shown in current assets and current liabilities are translated at the rates prevailing at the year end. Any gain or loss on account of exchange difference either on settlement or on translation is recognised in the Profit & Loss Account.

9. Retirement Benefits:

(a) Post employment benefits under defined plans are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expenses are recognized at the present value of the amount payable towards contributions. the present value is determined using the market yields of government bonds, at the balance sheet date, at the discounting rate.

(b) Short term employee benefits are recognized as an expense in the profit and loss account of the year in which the related services is rendered.

(c) Post employment Benefits under defined contribution plan and other long term employee benefits are recognized as an expense in the profit and loss account for the period in which employee has rendered services. Estimated liability on account of long term benefits is discounted to current value using the yield on government bonds as on the date of balance sheet, at the discounting rate.

(d) Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

10. Borrowing Cost:

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

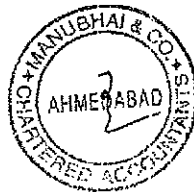


11. Provisions, Contingent Liabilities And Contingent Assets:

- (a) Provisions are recognized for liabilities that can be measured only by using substantial degree of estimation and if the company has present obligation as a result of a past event and it is probable that there will be outflow of resources.
- (b) Contingent liability is stated in the case of :
 - i) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
 - ii) A possible obligation, unless the probability of outflow of resources is remote
- (c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.
- (d) Provisions, Contingent Liabilities and contingent assets are reviewed at each balance sheet date in Accordance with the Accounting Standard AS-29 on " Provisions, Contingent Liabilities and Contingent Assets " issued by the Institute of Chartered Accountants of India.

12. General:

Accounting policies not specifically referred to are consistent with generally accepted accounting principles.



SCHEDULE 'P'
NOTES FORMING PART OF THE ACCOUNTS

1. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to Small and Medium Sized Company.

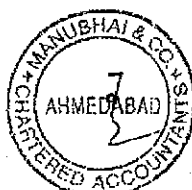
2. Contingent Liabilities in respect of :

Particulars	June 30 th , 2008	June 30 th , 2007
(i) Bills Discounted	Nil	58,78,975
(ii) Guarantee Issued by bank	20,25,117	28,47,402
(iii) Capital commitments not provided for (Net of advances Nil Prev. Year Rs.24.97 Lacs) not provided for	Nil	10,27,150

3. The Equity Shares of Marathon Nextgen Realty & Textile Ltd, totaling to 6214 in numbers has been received as bonus shares and therefore the cost of the same has been taken as Nil.
4. (a) Sundry Debtors considered good in schedule 'G' include Rs.66.29 Lacs (Previous year Rs.66.29) for which legal action has been taken for recovery, so that the debt does not become time barred. The management is hopeful of recovery.
- (b) Confirmation of balances have been received from some of the suppliers / customers and necessary adjustments have been made on the basis of confirmation received.
5. Earning Per Share:

Particulars	June 30 th , 2008	June 30 th , 2007
Net Profit / (Loss) during the year	(17,504,377)	1,79,41,844
Weighted Average No. of equity Shares Outstanding	3,76,55,182	3,30,07,040
Basic Earnings/ (Loss) Per Share	(0.46)	0.52
Diluted Earnings/ (Loss) Per Share	Nil	Nil

6. In accordance with Accounting Standard 22, 'Accounting for Taxes on Income' issued by The Institute of Chartered Accountants of India, the Company has accounted for deferred tax liabilities of Rs.125.26 lacs. The company also has deferred tax assets of Rs. 789.22 lacs by way of carried forward losses and unabsorbed depreciation under the Income Tax Act, 1961, out of which as a matter of prudence, deferred tax assets only to the extent of the amount of deferred tax liabilities, as above, have been recognized. Accordingly, there is no impact of the same in these Accounts.



The major components of Deferred Tax Assets and Liabilities as recognized in these accounts are as follows:

Particulars	Rs. In lacs	
	June 30 th , 2008	June 30 th , 2007
Deferred Tax Assets:		
Unabsorbed depreciation and Carried forward losses	111.60	203.85
Provision for Doubtful debts & advances	13.66	8.42
Total	125.26	212.27
Deferred Tax Liabilities:		
Depreciation differences	125.26	212.27
Total	125.26	212.27

7. The Company has changed the method of depreciation on its fixed assets from Straight Line Method to Written Down Value Method. In compliance with Accounting Standard (AS)-6 "Depreciation Accounting" issued by Institute of Chartered Accountants of India, depreciation has been recomputed from the date of commissioning / put to use of these fixed assets on Written Down Value Method. Accordingly resultant additional depreciation Of Rs.419.47 Lacs in respect of these fixed assets is written off to Profit & Loss Account.
8. The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small, and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at June 30, 2008 has been made in the financials statements based on information received and available with the Company. The principal amount due to Micro & Small Enterprise is Rs.2,048,508/- and interest provided and unpaid is Rs.58440/- Further, in the view of the management, the impact of interest payable in accordance with the provisions of the Act is not expected to be material.
9. Related Party disclosure as required under the Accounting Standard "AS – 18" on Related Party Disclosures, issued by the Institute of Chartered Accountants of India are given below:

a) Details of Transactions

Name of the Related Party	Relationship	Description of Transaction	Amount Rs
Mr.Rakesh C.Kasliwal	Key Management Personnel	Remuneration	30,02,747

10. Previous year's figures have been rearranged/regrouped wherever necessary.



11. Salaries includes Managing Director's Remuneration as under:

Particulars	June 30th, 2008	June 30th, 2007
i) Salaries	27,50,667	3,002,020
ii) Contribution to Provident Fund	252,080	181,440
Total	30,02,747	3,183,460

12. Profit and Loss account includes remuneration of auditors as under:

Particulars	June 30th, 2008	June 30th, 2007
i) As Auditors	84,270	84,270
ii) In any other capacity -		
Tax Audit	20,225	20,225
Taxation Matters	24,719	24,719
Other Services	40,899	24,144
Total	170,113	153,358

13. Details of licensed capacity installed capacity and manufacturing activity in respect of switchgears of all types and switches, plugs, sockets etc :

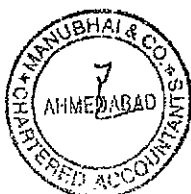
Particulars	June 30th, 2008	June 30th, 2007
i) Licensed Capacity	License is not required	
ii) Installed Capacity (as per management's certificate & relied upon by Auditors being technical matters) - Switchgears & Safety	700,000	700,000
iii) Installed Capacity (as per management's certificate & relied upon by Auditors being technical matters) - Lighting Fixtures & Luminaires	300,000	Nil

14. Particulars of Manufacturing Activity:

Particulars	June 30th, 2008		June 30th, 2007	
	Qty (Nos)	Rs.	Qty (Nos)	Rs.
Opening Stock	44,900	7,270,193	65,955	8,852,585
Production	3,95,391	-	325,347	-
Sales	475,449	214,455,775	346,402	117,000,586
Closing Stock	34,958	10,450,254	44,900	7,270,193

15. Particulars of Trading Goods:

Particulars	June 30th, 2008		June 30th, 2007	
	Qty (Nos)	Rs.	Qty (Nos)	Rs.
Opening Stock	469,207	22,710,484	465,946	18,640,419
Purchase	429,335	71,171,515	184,566	68,773,585
Sales	406,411	88,823,838	181,305	89,900,060
Closing Stock	492,131	38,331,240	469,207	22,710,484



16. Consumption of Imported & Indigenous Material:

Particulars	June 30th, 2008		June 30th, 2007	
	%	Rs.	%	Rs.
i) Indigenous	77.45	80,655,892	95.75	52,064,883
ii) Imported	22.55	23,483,885	4.25	2,308,306
Total	100.00	104,139,777	100.00	54,373,189

17. Consumption of Raw Material:

Particulars	June 30th, 2008		June 30th, 2007	
	Qty	Rs.	Qty	Rs.
i) Copper - Kgs.	71591	38,860,919	41,726	19,488,754
ii) M.S.sheet, Flat Channels & Angles - Kgs.	186275	8,158,120	114,219	4,687,082
iii) Electroplating	-	NIL	NA	NIL
iv) Brass	2147	779,883	4,086	1,424,230
v) Nylon, DMC & Bakelite powder	107935	10,575,539	54,440	6,464,909
vi) Others		50,765,316	NA	22,308,214
Total		104,139,777		54,373,189

18. CIF Value of Imports:
(excluding purchase of items through other agencies)

Particulars	June 30th, 2008	June 30th, 2007
i) Raw Materials	36,078,914	2,308,305
ii) Purchase for resale	10,060,798	8,994,102
iii) Capital Goods (Software)	446,127	NIL

19. Expenditure in Foreign Currency:

Particulars	June 30th, 2008	June 30th, 2007
Travelling Expenses	717,676	277,240

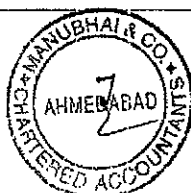


20. FOB Value of Exports:

Particulars	June 30th, 2008	June 30th, 2007
Wiring Accessories & Installation Equipment	NIL	16,500

21. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I.	Registration Details:	
	Registration No	031172
	State Code	04
	Balance Sheet Date	30.06.2008
II	Capital raised during the year	Amount in Thousands
	Public Issue	Nil
	Rights Issue	Nil
	Bonus Issue	Nil
	Private Placement	29,660
III	Position of mobilization and deployment of funds:	Amount in Thousands
	Total Liabilities	Rs 2,44,141
	Total Assets	Rs 2,44,141
	Source of Funds:	
	Paid-up Capital	Rs 1,94,695
	Share Application Money & Equity Suspense	Rs 6,744
	Reserves & Surplus	Rs 13,327
	Secured Loan	Rs 26,941
	Unsecured Loan	Rs 1,482
	Application of Funds:	
	Net fixed Assets	Rs 80,651
	Investments	Rs 5,079
	Accumulated losses	Rs 38,786
	Net Current Assets	Rs 1,19,625
	Miscellaneous Expenses	Nil
IV	Performance of Company	Amount in Thousands
	Total Income	Rs 3,09,019
	Total Expenses	Rs 3,25,848
	(Loss) / Profit before tax	Rs (16,829)
	(Loss) / Profit after tax	Rs (17,504)
	Earning per share in Rs	Rs(0.46)
	Dividend Rate	Nil
V	Generic name of principal product of the Company	



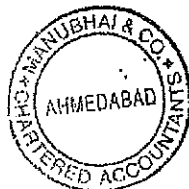
a)	Item Code No (ITC Code)	853620.03
	Production Description	Miniature Circuit Breakers
b)	Item Code No (ITC Code)	853620.09
	Production Description	Change Over Switches
c)	Item Code No (ITC Code)	853620.04
	Production Description	Earth Leakage Circuit Breakers

SIGNATURE TO SCHEDULES 'A' to 'B'

As per our report of even date,

For Manubhai & Co.
Chartered Accountants

(J. D. Shah)
Partner



Place: Ahmedabad
Date: 20/01/2009

William R.
Henderson
Chairman

Robert
Gerard
Director

Simon
Gerard
Director

Place: Adelaide

Date: 10/01/2009

Rakesh Kasliwal
Managing Director

Jigish R Parikh
Company Secretary

Place: Ahmedabad

Date: 15/01/2009

Manubhai & Co.

Chartered Accountants

AUDITORS' REPORT

To,
The Members of
Pierlite India Private Limited

1. We have audited the attached Balance Sheet of **Pierlite India Private Limited** as at 30th June, 2008 and also Profit and Loss Account for the period from 1st July, 2007 to 30th June, 2008 annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with Auditing Assurance Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about, whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of accounts as required by law, have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with books of account;
 - (iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (v) 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 give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of Balance Sheet, of the state of affairs of the company as at 30th June, 2008; and
 - (b) in the case of Profit & Loss Account, of the Loss of the Company for the year ended on that date.

Place: Ahmedabad

Date: 20/01/2009



For Manubhai & Co.
Chartered Accountants

J. D. Shah
(J. D. Shah)
Partner
M. No. 100116