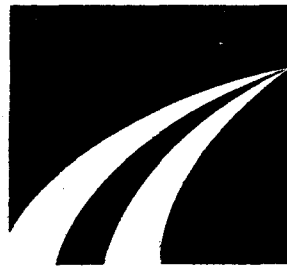


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ANNUAL REPORT

2010 - 2011



ATHARV ENTERPRISES LTD

21th Annual Report 2010-11

BOARD OF DIRECTORS

Nitten Jaju (Managing Director)
Kaushal Ameta - Additional Director (Independent Capacity)
Bhushan Gandhi (Non - Executive, Independent, Chairman)
Jadgish C. Gadia - Additional Director
Arjun Mundra - Additional Director (Independent Capacity)

BANKERS

HDFC Bank Ltd.
The Veershaiv Co-op. Bank Ltd.
Bank of India

STATUTORY AUDITORS

M/s. Sanjay Vhanbatte & Co.
Chartered Accountants,
Shahupuri, Kolhapur - 416 001

REGISTERED OFFICE

1039-E, Rajaram Road,
Kolhapur - 416 008 (M.S.)
Ph. : 0231-3254148
Fax : 0231-2654148
E-mail : kpr_nrjaju@bsnl.in
info@atharventerprises.com
URL : www.atharventerprises.com

REGISTRAR & TRANSFER AGENTS

M/s. Adroit Corporate Services P. Ltd.
19, Jaferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka,
Andheri (East), MUMBAI
Ph.: 022-28590942, 28503748
Fax : 022-26924438
E-mail : info@adroitcorporate.com

NOTICE IS HEREBY GIVEN THAT THE 21st ANNUAL GENERAL MEETING OF THE MEMBERS OF ATHARV ENTERPRISES LTD WILL BE HELD ON FRIDAY, THE 30TH DAY OF SEPTEMBER, 2011 AT 11.00 A.M. AT 1039 E RAJARAM ROAD, KOLHAPUR - 416008 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011 and Profit and Loss Account and annexures thereto for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To re-appoint M/s. Sanjay Vhanbatte & Co, Chartered Accountants, as the auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

3. 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 Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Mr. Kaushal Ameta, who was appointed as an Additional Director of the Company pursuant to the provisions Section 260 of the Companies Act, 1956 be and is hereby appointed as the Director of the Company, liable to retire by rotation, in terms of the provisions of the Articles of Association of the Company."

4. 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 Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Mr. Jagdish Chandra Gadia, who was appointed as an Additional Director of the Company pursuant to the provisions Section 260 of the Companies Act, 1956 be and is hereby appointed as the Director of the Company, liable to retire by rotation, in terms of the provisions of the Articles of Association of the Company."

5. 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 Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Mr. Arjun Mundra, who was appointed as an Additional Director of the

Company pursuant to the provisions Section 260 of the Companies Act, 1956 be and is hereby appointed as the Director of the Company, liable to retire by rotation, in terms of the provisions of the Articles of Association of the Company."

6. To consider and if thought fit, to pass, with or without modification, the following Resolution :

RESOLVED THAT subject to the provisions of section 198, 269, 314 and schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 the consent of the shareholders be and is hereby accorded for the appointment of Mr. Nitten Ramswarup Jaju as Executive Director for a period for three years i.e. 01-10-2011 to 30-09-2014 at payment of salary @ Rs. 15000/- p.m. with standard facilities until decided otherwise."

7. **APPOINTMENT OF MR. JAGDISH CHANDRA GADIA AS THE CHAIRMAN & MANAGING DIRECTOR**

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 Section 198, 269, 309, 310 and 311 of the Companies Act, 1956 and further subject to the provisions of Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) and further subject to such other approvals as may be necessary, the Company hereby approves the appointment of Mr. Jagdish Chandra Gadia as the Chairman and Managing Director of the Company for the term of Three years commencing from 1st October, 2011 and ending on 30th September, 2014 upon the terms and conditions including remuneration as set out in the draft agreement submitted to the meeting duly initialed, for the purpose of identification, which draft agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or the Agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto, as may be agreed to between the Board of Directors and Mr. Jagdish Chandra Gadia."

"RESOLVED FURTHER THAT Mr. Nitten Ramswarup Jaju and/or Mr. Jagdish Chandra Gadia, Director of the Company be and is hereby authorized to obtain necessary approvals/to file with the Registrar of Companies, Mumbai, Maharashtra all the necessary Form/documents to carry out the effect of the above resolution and further to initiate and undertake all such steps as may be deemed expedient by him to give effect

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to this resolution for and on behalf of the Board of Directors of the Company.”

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

THE INSTRUMENT APPOINTING THE PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Chairman, so as to reach the registered office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
3. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
4. The Share Transfer Books and the Register of Members of the Company shall remain closed from **Wednesday, 28th September, 2011 to Friday, 30th September, 2011** [both days inclusive]
5. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days except Sunday & Public holidays between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
6. Members are requested to notify immediately any change in their address / bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agent at **ADROIT CORPORATE SERVICES PRIVATE LIMITED** 19, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri (East), Mumbai- 400 059 in respect of their physical share folios.
7. Members are requested to bring their copy of Annual Report to the Meeting along with their respective Attendance Slip sent herewith duly filled for attending the Meeting.
8. Since the securities of the Company are compulsorily tradable in electronic form, to ensure better investor service and elimination of risk of holding securities in physical form, it is requested that the members holding shares in physical form to get their shares dematerialized at the earliest.

9. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of Special Business of the Notice is annexed hereto.

10. **Green Initiative in the Corporate Governance-Registration of email address**

The members are requested to register email address with the Depository Participant/ the Registrar and Share Transfer Agent of the Company, i.e. Adroit Corporate Services Private Limited, as the case may be, for service of documents.

By order of the Board of Directors of
Atharv Enterprises Ltd

Nitten Jaju
Director

Bhushan Gandhi
Non-Executive Independent
Chairman

Place: Kolhapur

Date: 12th August, 2011

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

The following Explanatory Statement sets out all the material facts relating to the Special Business of the accompanying Notice of the Annual General Meeting of the Company to be held on Friday, the 30th day of September, 2011 at 11.00 a.m.

Item No. 3 :

The Board of Directors of the Company has appointed, pursuant to the provisions of Section 260 of The Companies Act, 1956, Mr. Kaushal Ameta as an Additional Director of the Company with effect from 20th July, 2011.

In terms of the provisions of Section 260 of the Companies Act, 1956 Mr. Kaushal Ameta would hold office up to the date of this Annual General Meeting.

The Company has received a Notice in writing from a member proposing the candidature of Mr. Kaushal Ameta for the office of Director of the Company under the provisions of Section 257 of the Act along with the requisite deposit. The board recommends this resolution for your approval.

Save and except Mr. Kaushal Ameta, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

Item No. 4 :

The Board of Directors of the Company has appointed, pursuant to the provisions of Section 260 of The Companies Act, 1956, Mr. Jagdish Chandra Gadia as an Additional Director of the Company with effect from 12th August, 2011.

In terms of the provisions of Section 260 of the Companies Act, 1956 Mr. Jagdish Chandra Gadia would hold office up to the date of this Annual General Meeting.

The Company has received a Notice in writing from a member proposing the candidature of Mr. Jagdish Chandra Gadia for the office of Director of the Company under the provisions of Section 257 of the Act along with the requisite deposit. The board recommends this resolution for your approval.

Save and except Mr. Jagdish Chandra Gadia, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

Item No. 5:

The Board of Directors of the Company has appointed, pursuant to the provisions of Section 260 of The Companies Act, 1956, Mr. Arjun Mundra as an Additional Director of the Company with effect from 12th August, 2011.

In terms of the provisions of Section 260 of the Companies Act, 1956 Mr. Arjun Mundra would hold office up to the date of this Annual General Meeting.

The Company has received a Notice in writing from a member proposing the candidature of Mr. Arjun Mundra for the office of Director of the Company under the provisions of Section 257 of the Act along with the requisite deposit. The board recommends this resolution for your approval.

Save and except Mr. Arjun Mundra, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

Item No. 6:

Mr. Nitten Jaju has been the Managing Director of the company for the period from the last AGM to this AGM. He has however tendered his resignation as the Managing Director of the company wef from this AGM and has expressed his interest to continue as the Director of the company in Executive Capacity only.

He is well aware of the company's business. His

continuation as Executive director of the company shall be of great advantage. As such, the Board recommends that he be appointed as the Executive Director of the company at a remuneration of Rs. 15000/- p.m. with standard facilities.

Save and except Mr. Nitten Jaju, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

Item No. 7:

The Board of the Directors of the Company at their meeting held on August 12, 2011 resolved to appoint Mr. Jagdish Chandra Gadia as the Chairman & Managing Director of the Company for a period of Three years commencing from October 01, 2011.

Mr. Jagdish Chandra Gadia, aged 59 years, is the Chairman & Managing Director of our Company and has been with our Company in the capacity of a Director since 12th August, 2011. He has 38 years of trading and manufacturing experience.

The appointment is subject to the approval of members. The terms and conditions of his appointment are as follows:

1. Period of appointment: Three years beginning from 1st October, 2011 and ending on 30th September, 2014,
2. Details of Remuneration as mentioned below.
3. The agreement, executed between the Company and Mr. Jagdish Chandra Gadia, may be terminated by either party by giving three months notice in writing of such termination.
4. Mr. Jagdish Chandra Gadia shall perform such duties as shall from time to time be entrusted to him, subject to the superintendence, guidance and control of the Board of Directors and he shall perform such other duties as shall from time to time be entrusted to him by the Board of Directors.

CATEGORY	PARTICULARS
Basic Salary	Upto maximum Rs. 20,000/- (Rupees Twenty Thousand Only) per month.
Perquisites and Allowances	<p>Category A</p> <p>Medical Reimbursement: Medical expenses actually incurred for self and family shall be reimbursed by the Company under the mediclaim Policy.</p> <p>Leave Travel Concession: Company shall provide leave travel fare for the Chairman and his family once a year, anywhere in India as per the Rules applicable to the Company and per Income Tax Rules.</p>
	<p>Category B</p> <p>The Company shall contribute towards Provident Funds/ Superannuation Fund/Annuity Fund, as agreed upon, provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the IT Act.</p> <p>The Company shall pay Gratuity, as agreed upon, at the rate not exceeding half month's salary for each completed year of service.</p> <p>Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of</p>

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will be allowed to be encashed at the end of the term as per Company rules. The perquisites under this category shall not be included in the computation of ceiling on remuneration.

Category C

The Chairman & Managing Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company.

Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be reimbursed.

Any and all expenditure actually and properly incurred on Company's business shall be reimbursed to the Chairman & Managing Director.

Sitting Fees

The Chairman & Managing Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. He shall, however be reimbursed the actual travelling, lodging and boarding expenses incurred by him for attending meeting of the Board of Directors and the Committees thereof.

Minimum Remuneration

The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Chairman & Managing Director and other Whole Time Directors of the Company taken together. Provided however that in the event of absence or inadequacy of profit, the Chairman & Managing Director shall be entitled to remuneration mentioned above and perquisites as above within the minimum remuneration specified in Schedule XIII of the Companies Act, 1956. However Chairman & Managing Director shall not be paid any sitting fees for attending the Board or Committee meetings.

Liable to retire by rotation

The office of the Chairman & Managing Director shall not be liable to determination to retirement of Directors by rotation.

The resolution seeks the approval of the members for the appointment of Mr. Jagdish Chandra Gadia as the Chairman & Managing Director of the Company for a period of Three years commencing from October 01, 2011.

Save and except Mr. Jagdish Chandra Gadia, none of the other Directors of the Company is in any way, concerned or interested in the resolution.

By order of the Board of Directors

Place: Kolhapur
Date: 12th August, 2011

Nitten Jaju
Managing Director

Bhushan Gandhi
Non-Executive
Independent Chairman

REPORT ON CORPORATE GOVERNANCE FINANCIAL YEAR 2010-11

The Securities and Exchange Control board of India (SEBI) has stipulated Corporate Governance Standards for listed companies vide Clause 49 of the Listing Agreement with Stock Exchanges.

Corporate Governance is a corporate discipline extended to transparency, integrity and accountability towards all stakeholders. Corporate governance helps to achieve excellence to enhance stakeholders' value by focusing on long term value creation without compromising on integrity, social obligations and regulatory compliances.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The objective of the company is not only to meet

the statutory requirements of the code but to go well beyond it by instituting such systems and procedures as are in accordance with the latest global trend of making management completely transparent and institutionally sound.

The company has been practicing good corporate governance, by constituting Board and Audit Committees disclosing periodically adequate and true information to Board/Committees, discussing company's affairs in open impartial and transparent manner and ensuring decision making, keeping in mind the interests of stake holder's and other business associates. At Atharv Enterprises Ltd, we believe and constantly strive to improve upon these practices and bring in more accountability with a view to achieve sustained growth in business and value to investors. The Board ensured that the company's management and

employees work with highest degree of ethical standards.

2. BOARD OF DIRECTORS

a) Composition of the Board :

The Board consists of 4 Directors as on date. 3 are Non-Executive and Independent Directors out of which one is Independent & Non-Executive Chairman of the company. The fourth one is Managing Director of the Company.

The Chief Financial Officer look after the day to day financial affairs and yarn activity of the

The Company presently as on date have Three Directors, the details of which are as follows :

Name of Director	Category	Remuneration Drawn	Perquisites, if any
Mrs.Ritu Jaju	Executive Director	Rs.15000/- p.m	Resigned wef 23/09/2010
Mrs.Pooja Jaju	Whole Time Director	Rs,15000/- p.m	Upto 23/09/2010
Mrs. Pooja Jaju	Non-Executive Director	No remuneration drawn	Resigned wef 29/12/2010
Mr. Nitten Jaju	Managing Director	Rs.15000/- p.m	
Mr.Rajendra Patel	Non Executive-Independent Director	No.remuneration drawn	Resigned wef 08/03/2011
Mr.Bhushan Gandhi	Non Executive-Independent Chairman	No.remuneration drawn	
Mr. Jayant Kothari	Non-Executive Independent Director	No remuneration drawn	Appointed wef 29/12/2010. Resigned wef 12/07/2011.
Mr. Kaushal Ameta	Non-Executive Independent Director	No remuneration drawn	Appointed as Additional Director wef 20/07/2011.

b) Number of Board meetings :

The company held 7 meetings of its Board of Directors during the year on the following dates :

04 May 2010, 01 July 2010, 31 July 2010, 23 September 2010,

02 November 2010, 29 December 2010 and 02 February 2011.

The maximum interval between and two Board meeting was less than 4 months and procedure as stipulated in clause 49 of the Listing Agreement was followed.

The 20th Annual General Meeting was held on 23rd September, 2010.

The Attendance of each Director in these meetings is as under :

c) Director's attendance record and directorships held :

Director Name	Category	Board meetings Held in 09-10	Board meetings attended in 09-10	Attendance at Last AGM	Directorship in other Public Ltd comp. incorporated	Board committees of which Director is in India member
Ritu Jaju *	Director – Executive	7	2	Yes	No	1
Pooja Jaju **	Director – Wholetime	7	4	Yes	No	1
Rajendra Patel ***	Director – Independent	7	5	Yes	No	2

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Bhushan J Gandhi	Chairman – Non Executive, INdependent	7	6	Yes	No	2
Nitten Jaju****	Managing Director	7	4	Yes	No	2
Jayant Kothari #	Director - Independent	7	0	No	No	1

* Resigned as Director wef 23 September, 2010.

** Resigned as Wholetime Director wef 23 September, 2010 and Director wef 29 December, 2010

*** Resigned as Director wef 08 March, 2011

**** Appointed as Director / Managing Director wef 23 September, 2010

Appointed as Additional Director in Non-Executive, Independent capacity wef 29 December, 2010

d) Information supplied to the Board :

A detailed Agenda is sent to each Director in advance of Board and Committee meetings. The Chairman briefs the Board at every meeting on overall performance of the Company.

Apart from the matters statutorily requiring the Board approval, all major decisions related to investments, capital expenditure, planning thereof are considered by Board .

As per SEBI's code for corporate Governance, the following information is regularly placed before the Board. :-

- Operating plans and budgets and revisions, if any, along with comparison of actual with budget
- Capital budget and revision, if any
- Cash Flow statements
- Quarterly results segment wise
- Minutes of meetings of Audit Committee and other committees of the Board
- Material show cause / demand / prosecution / penalty notices received
- Other issues, including orders / judgements which involves claim of substantial nature and have negative implications on the company.
- Non compliance of regulations / listing requirements and shareholders service.

e) Information in case of re-appointment of Directors

Mr. Bhushan Gandhi, Chairman
Mr. Jayant Kothari, Member
Mr. Nitten Jaju, Secretary

Independent, Non-Executive Director
Independent, Non-Executive Director
Managing Director

The Audit Committee has reviewed the Management Discussion and Analysis of financial condition and results of operations forming part of this Annual Report and other information as mentioned in Clause 49 (II)(E) of the Listing Agreement.

as required under Listing Agreement is given as under :-
None of the Directors retired by rotation were re-appointed.

f) Audit Committee :

The Broad terms of reference of the Audit Committee are :-

- a) Supervise the Company's the overall financial reporting process and disclosure of financial information
- b) To review the annual accounting /financial statements, policies and practice.
- c) To appraise the adequacy of proper internal control and internal audit systems
- d) To review the company's financials and risk management policies
- e) To recommend the appointment and removal of external auditors
- f) To discuss with internal auditors any significant findings for follow-up thereon and to review the quarterly, half-yearly and annual financial statements before they are submitted to the Board of Directors

The Minutes of the Audit Committee meetings are circulated to the Members of the Board, discussed in the Board meetings and taken note thereof.

The Company has complied with the requirements of Clause 49(II)(a) of the Listing Agreement as regards the composition of the Audit Committee.

The Audit Committee of the Board of Directors of the Company comprised of the following members as on 31st March, 2011 :

The Audit Committee meetings are also attended by senior finance & accounts executives and Internal Auditors as required. The Statutory Auditors are invited in the audit committee meeting as and when required by the Committee.

The Audit Committee met on the followings dates during the last financial year :
04 May 2010, 31 July 2010, 02 November 2010 and 02 February, 2011

The attendance of each member is as under :

Name of the Director	No of Meetings held	No. of Meetings attended
Mr. Bhushan Gandhi	4	4
Mr. Rajendra Patel	4	3
Mrs. Pooja Jaju	3	2
Mr. Nitten Jaju	2	2

g) The size of company operations do not merit a separate remuneration committee.

h) Investors Grievance & Share Transfers Committee :

The Board has constituted the Investor Grievances & Share transfer Committee in accordance with the requirement of the clause 49 of the listing agreement.

The objective of the Committee is to attend to investors Complaints pertaining to transfer /transmission of shares, non receipt of dividend warrants/share certificate and share transfer, confirming share transfers & other matter related thereto.

The members of the committee as on 31 March 2011 are :

Mr. Bhushan Gandhi, Member	Independent, Non-Executive Director
Mr. Rajendra Patel, Chairman	Independent, Non-Executive Director
Mr. Bippin S Jaju, Member	Compliance Officer

Mr. Bippin S Jaju, Chief Financial Officer is the Secretary of the Committee. The Committee meets not less than twice in a year.

The Shareholders Grievance and Share Transfer Committee met on the followings dates during the last financial year :

04 May, 2010, 02 November, 2010 and 02 February, 2011

The attendance of each member is as under :

Name of the Director	No of Meetings held	No. of Meetings attended
Mr. Bhushan Gandhi	3	3
Mr. Rajendra Patel	3	2
Mrs. Ritu Jaju	1	1
Mr. Bippin S Jaju	2	2

During the year, no complaints were received from the investors. There are no pending share transfers as on 31 March, 2011.

i) Compliance Officer :

Mr. Bippin S Jaju, Chief Financial Officer has been designated as the Compliance officer wef 02 November, 2010.

During the year, the company has not received any complaint for non receipt of annual report. There were no unresolved complaints as on 31 March, 2011.

3. MANAGEMENT

j) Management Discussion and Analysis :

The activities of the company are limited and the size and the turnover is small. As such, the

management discussions are an ongoing process and doesn't merit special mention. However, a gist of discussions and analysis is presented :

Industry Structure and development -

The business is largely by way investment, yarn trading and Electrical Products Distribution.

The yarn trading and consignment agent activity at Ichalkaranji is progressing smoothly. There has been massive correction in yarn prices to the tune of 25% recently. However, since the company was carrying less stocks, it has not been impacted largely.

The company has ventured as a partner having 25%

share in Biomass Briquetting plant in the name of 'Green Fuel Tech' having its plant at Chiplun, dist. Ratnagiri. The investment in this company has yielded very good share of profits for the company.

It has under partnership in the name of 'Jai Mining Corporation' entered into mining agreement with a party in consortium with like minded company. A bauxite mine is being leased by the Government of Maharashtra to the party which shall be operated by our consortium. The consortium has been allotted a bauxite mine by the Government of Maharashtra. The Environmental Clearance & Approval process from the Union Ministry of Environment is being initiated. The consortium has also filed a review application with the statutory body for review of allotment of mining rights of 2 more blocks to other party in which the consortium was the first applicant.

The company is also a co-promoter of 'Sunchemie Industries Pvt Ltd' Sri Lanka which is a registered company with ROC, Sri Lanka and has signed an agreement with the Board of Investment of Sri Lanka to put up a plant to manufacture Base Lube Oils by re-refining of Used and Waste Oils. The proposed project has got delayed due to delay in term loan arrangement. The company is not hopeful of this project now since the delay has been substantial. A final call on the project is expected by September, 2011.

The company has given up distribution of Electricals wef 01 April, 2011 in line with its decision taken in the postal ballot of the shareholders. It is presently concentrating on recoveries from the debtors.

The company had entered into a MOU in consortium for Silica Sand Mining with Shri Patil Minerals. However, vide Office Memorandum no J.21011/58/2010-IA-1 dated 16 August, 2010 issued by the Ministry of Environment & Forests (MOEF), Government of India that moratorium is being imposed on all proposals received by the MOEF regarding Ratnagiri and Sindhudurg districts, Maharashtra for TOR and / or EC till June, 2011 during which period The Western Ghats Ecology Expert Panel for conservation, protection and rejuvenation of Western Ghat region will study and suggest effective measures. Hence, the company approached Shree Patil Minerals to cancel the MOU and return the deposits.

Opportunities and threats -

Investment in shares has its pitfalls in terms of market conditions. Amounts which have been lent to parties on call basis have threat of going bad. Yarn trading activity requires huge investment and recoveries of payment can be termed as a threat. However, due care is taken by selling the material largely through reputed brokers. Electricals Division

operations have limited growth potential. The amounts invested / proposed to be invested in Sri Lanka project M/s. Sunchemie Industries Pvt Ltd have a risk in terms of the project not taking off at all.

In terms of opportunities, investment in shares can give reasonable returns if invested pragmatically. Yarn activity is a sustaining business and hence can provide business opportunity.

Segment wise performance -

The company has booked reasonable income from investment in shares and from interest income. This year has been very good for its investment in Green Fuel Tech as Partner. Yarn business and the company has earned decent profits there. There have been Bad Debts provision in yarn business.

Outlook

The yarn business presently is very low due to massive correction in yarn prices. Investment in shares presently is a risk due to potential crisis in USA. The Sri Lankan project remains cloudy.

Risks & Concerns

The primary concern is security of advances given. Hence, all new advances are given on the basis of personal standing of the party in the market and any one of the Director personally knowing the concerned party. There is concern in receivables in yarn business and reasonable care is taken.

Internal control systems & its adequacy -

The audit committee meets once around every 4 months. As the size of business is small, more meetings have not been necessary. Further, due to appointment of a full time Chief Financial Officer, internal controls are observed.

Financial performance wrt operational performance

The company has had a good profit this year. The operational profit is Rs. 33.72 lakhs.

Development in HRD -

Since the manpower required is not more than 10, no HRD department is made.

k) Disclosure by Management to the Board :

All details relating to financial and commercial transactions where Directors may have potential interest are disclosed to the Board, and the interested Directors neither participate in the discussion nor do they vote on such matters.

l) Shares Held by Non-Executive Directors :

The Non-executive Directors do not hold any equity shares of the company directly. However, Mapaex Remedies Pvt Ltd, where Mr. Rajendra Patel is interested as a Director have bought

shares of the company in bulk deal in the month of January, 2011 after which he ceased to be a Director in Independent capacity.

4. SHAREHOLDERS

m) Annual General Meetings :

Details of General Meetings of the Shareholders are under :-

YEAR	AGM/EGM	LOCATION	DATE	TIME
2007-2008	AGM	56, Shivaji Park, Kolhapur -416003	29.09.2008	11.00 A.M.
2008-2009	AGM	1039, E Rajaram Road, Kolhapur-416008	19.08.2009	11.00 A.M.
2009-2010	AGM	1039, E Rajaram Road, Kolhapur-416008	23.09.2010	11.00 A.M.

There were no special resolutions passed by the Company through postal ballot at any of the above meetings.

n) Disclosure :

- i) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large :

There is no material transaction with any related party which may have potential contact with the interests of the Company at large. However, the Company has annexed to the accounts a list of related parties as per the Accountings Standard 18 and the transactions entered into with them.

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

No non-compliances are reported to the company by the Stock Exchange. No penalty, stricture has been imposed by the stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years except that the company scrip is suspended on the stock exchange since 03 June, 2003 due to prior non-compliances which are now fulfilled. The scrip still remains suspended and efforts are being taken to have the scrip re-listed on the stock exchange.

o) Means of Communication :

The Annual Report is posted to every shareholder of the Company.

The Company has not made any presentation to the institutions, investors/analysts.

d) General Shareholders information :

- Annual General Meeting :**
Day, Date , time and Venue
Friday, 30th September, 2011 at 11.00 a.m.
1039, 'E' Rajaram Road, Kolhapur
- Financial Calendar for 2011-2012 (tentative) :**
Financial reporting for September, 2011 quarter results - 31 October, 2011
Financial reporting for December, 2011 quarter results - 31 January, 2012
- Book Closure Dates :**
28.09.2011 to 30.09.2011
(both days inclusive)
- Listing on the Stock Exchanges :**
The equity shares of the Company is listed on the Mumbai Stock Exchange. The Company has paid the listing fees to the stock exchange for the period 1st April, 2011 to 31st March, 2012.
The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers
Dalal Street , Mumbai – 400 001
Scrip Code - S 30187

Code in respect of Company' s Shares traded in DEMAT form for both NSDL and CDSL :
ISIN –INE354E01015

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5. Stock-price data for the period from 01 April, 2010 to 31st March, 2011 :

Month	High (Rs)	Low (Rs)	Volume (No of shares)
April 2010	14.10	10.95	40922
May 2010	14.65	10.45	50305
June 2010	12.70	8.70	30699
July 2010	12.05	8.51	45941
August 2010	11.00	9.14	15674
September 2010	16.12	9.15	88321
October 2010	12.34	10.45	25277
November 2010	12.90	10.19	27487
December 2010	12.60	11.00	81876
January 2011	15.34	11.70	368063
February 2011	14.03	11.75	8036
March 2011	13.89	11.20	24904

6. Registrar and Share Transfer Agents :

For both physical share transfers and dematerialised share transfers –

M/s. Adroit Corporate Services P. Ltd.

19, Jaferbhoy Industrial Estate, 1st floor, Makwana Road, Marol Naka, MUMBAI – 400 059

Phone : 022 – 2859 0942, 2850 3748 Fax : 022- 2692 4438 Email : adroits@vsnl.net

7. Distribution of shareholding as at 31st March, 2011 :

No of equity shares	No of Share Holders	% of shares Holders	No of Shares held	% of share holding
Upto – 500	2872	91.70	439197	14.42
501 – 1000	139	4.44	121567	3.99
1001 - 2000	54	1.72	83399	2.74
2001 - 3000	20	0.64	49600	1.63
3001 - 4000	5	0.16	17145	0.56
4001 - 5000	10	0.32	47781	1.57
5001 - 10000	13	0.42	91815	3.01
Above 10000	19	0.61	2195996	72.08
Total	3132	100.00	3046500	100.00

1. Shareholding pattern as at 31st March, 2011 :

Category	No of equity Share held	Percentage of Shareholding
*Promoter & Associates	1463405	48.04%
*Financial Institutions/Banks/Central State Govt Institutions	0	0
*Mutual Funds and UTI	0	0
*FIs	0	0
*NR's	500	0.02%
*Domestic Corporate Bodies	552362	18.13%
*Indian Public	1030233	33.81%
TOTAL	3046500	100.00%

8. Dematerialisation of shares and liquidity :

As at 31 March, 2011, 79.95% total equity share capital is held in electronic mode out of which National Securities Depository Limited (NSDL) have [61.08%] and Central Depository Services Ltd (CDSL) have [18.87%]. The Company's shares have to be compulsorily traded in the electronic form. Requests for dematerialisation of shares are processed and confirmed within 15-20 days of receipt to NSDL and CDSL.

9. Outstanding ADRs/GDRs/Warrants/Other convertible instruments conversion date and likely impact on the equity :

As at 31st March, 2011, there are no outstanding ADRs/GDRs/Warrants/Other convertible instrument which has impact on the equity of the Company.

10. GREEN INITIATIVE

The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011, has allowed companies to send Annual Report comprising of Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report and Explanatory Statement etc., through electronic mode to the registered e-mail address of the members. Keeping in view the underlying theme and the circulars issued by MCA, we propose to send future communications in electronic mode to the e-mail address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit.

Members who hold shares in physical form and desire to receive the documents in electronic mode are requested to provide their details (name, folio no, e-mail id) on the Company's e-mail address viz. info@atharventerprises.com. Members who hold shares in electronic form are requested to get their details updated with the respective Depositories.

11. Non-Compliance as reported / identified by Auditors- Comments thereon :

a. The Company has formed a Joint, Investor Grievance and share transfer committee. The total shareholders of the company is only 3132. The volumes not being much, a common committee for Investor Grievance and share transfer is formed. The Board of Directors take an overview of the proceedings of this committee in every Board meeting.

b. The company has very recently hosted its website by the name www.atharventerprises.com. It shall soon publish the code of conduct of the Directors on the website.

c. The Board of Directors of the company is very small. Further, the company does not have a full time Company Secretary. Hence, the Secretary to the Audit Committee is generally the Compliance Officer or Managing Director of the Company.

DECLARATION

I, Nitten Jaju, Managing Director of Atharv Enterprises Ltd, hereby declare that all the members of the Board of Directors and its Senior management personnel have affirmed compliance with the Code of Conduct, for the year ended March 31, 2011.

Kolhapur For ATHARV ENTERPRISES LTD
August 12, 2011 Nitten Jaju
Managing Director

To,
The Members of
ATHARV ENTERPRISES LTD,

We have examined the compliance of conditions of corporate governance by Atharv Enterprises Limited, for the year ended 31 March, 2011, as stipulated in clause 49 of the Listing Agreement of the said company with the Mumbai Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance as stated in the said clause. 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 and the representations made by the Directors and the management, subject to following :

- The Code of Conduct for directors has not been posted on the company's web site.*
- The secretary of the audit committee is not a company secretary.*
- The Company has formed a Joint, Investor Grievance and share transfer committee. Further, this committee deals with share transfer. The authority is not delegated to any officer.*

The company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We further state that such compliance is neither an

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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 and on behalf of

P. H. Joshi & Co.
Company Secretaries

Place: Kolhapur
Date: 12-08-2011

Prasad Joshi
Proprietor

DIRECTOR'S REPORT

TO,
The Members,
ATHARV ENTERPRISES LTD

Your Directors have pleasure in presenting the 20th Annual Report with the Audited Statement of Accounts of your Company for the financial year ended 31st March, 2011.

FINANCIAL RESULTS

	2010-2011	(Rs.in.lacs) 2009-2010
Gross Receipts	469.76	564.82
Profit/Loss before Depreciation	16.18	15.57
Depreciation	1.98	2.35
Net Profit / (Loss) for year	14.20	13.30

DIVIDEND

The Board does not recommend any dividend for the year under review.

PROJECTIONS V/S ACTUALS

The projection about profitability and its comparison with the actual results is not given as the same is not applicable in view of the fact that the public issue was made in the year 1994-95.

OPERATING RESULTS

There has been reasonable income to the company by way of trading in yarn, investment in shares & equity shares trading and also interest accrued on loans given.

The yarn trading activity is well established. There is sufficient scope for growth and it is expected to well in the coming year.

The balance sheet of our company show a net profit of Rs. 14.20 lakhs for this financial year and a operating profit (EBITDA) of Rs. 33.72 Lakhs.

FUTURE PROJECTS & REVIEW

1. Consequent to approval u/s 372 A from the shareholders of the company, the company has invested in Atharv Mines Pvt Ltd.

2. The company has relinquished its distributorship of Havells Electricals.
3. The Company has loaned money on interest on call basis to known parties only.
2. The yarn trading activity is established at Ichalkaranji.
4. M/s. Green Fuel Tech where company owns 25% stake is into manufacture of Biomass Briquettes and the said firm has shown profits in the second year of operations as well.
5. M/s. Jai Mining Corporation where company owns 25% stake have finalized a bauxite mining agreement in partnership with another company. The necessary Mining Lease agreement & Central Environmental Authority approval will take another 1 – 1 1/2 years.
6. The company is a co-promoter in 'M/s. Sunchemie Industries Pvt Ltd, Sri Lanka' where the company is represented by Mr. Nitten Jaju, Managing Director. The Sri Lankan company has got all relevant clearances to put up a waste and used oils re-refining plant. However, the term loan has not been financed as yet which is a cause of concern.
7. The company had entered into a MOU in consortium for Silica Sand Mining with Shri Patil Minerals. However, vide Office Memorandum no J.21011/58/2010-IA-I dated 16 August, 2010 issued by the Ministry of Environment & Forests (MOEF), Government of India that moratorium is being imposed on all proposals received by the MOEF regarding Ratnagiri and Sindhudurg districts, Maharashtra for TOR and / or EC till 31 December, 2010 and subsequently till June, 2011 during which period The Western Ghats Ecology Expert Panel for conservation, protection and rejuvenation of Western Ghat region will study and suggest effective measures. Hence, the company approached Shree Patil Minerals and cancelled the MOU.
8. The company proposes to enter into the business of Textile, Ferrous and Non-Ferrous Metals.

DIRECTORS

During the year, Mrs. Pooja Jaju and Mr. Rajendra Patel resigned from the company citing personal reasons.

Mr. Jayant Kothari, CA was appointed as Non-Executive Independent Director in additional capacity. However, he has also tendered his resignation since it has not been possible for him to attend meetings.

The company has recently appointed Mr. Kaushal Ameta, Company Secretary by profession as Non-Executive Independent Director in additional capacity. The same is proposed to be ratified in the AGM.

It is also proposed to appoint Mr. Arjun Mundra, C.A. by profession as Non-Executive Independent Director and Mr. Jagdishchandra Gadia as Chairman & Managing Director in the ensuing AGM. They are appointed as

Additional Directors now.

Mr. Bhushan Gandhi, Non-Executive & Independent Director of the company has informed his decision to resign from the Board of Directors of the Company wef the ensuing AGM date.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 217 (2AA) read with Section 292A of the Companies Act, 1956, we, the Directors of Atharv Enterprises Limited, state in respect of Financial year 2010-11 that :

- a) In the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) The 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;
- d) The Directors have prepared the annual accounts on a going concern basis;

STATUTORY DISCLOSURES

- A) Particulars of the employees as required under section 217 (2A) of the companies Act, 1956, read with companies (particulars of Employees) Rules 1975, are as below :

The company has not paid any remuneration attracting the amended provisions of Companies (particulars of Employees) Rules, 1975 read with Section 217 (2A) of the Companies Act, 1956 during the year under report.

- B) Particulars required to be furnished by the companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988.
 - i. Part A and B relating to conservation of Energy and Technology Absorption are not applicable to the company as the company is not a manufacturing company.
 - ii. Foreign Exchange Earning and outgo : There is no foreign exchange outgo in this FY.

COMMENTS IN AUDITORS REPORT

1. Car Loan taken against Cars registered in individual names of Directors : The car have generally been

taken in the name of the Director to save on RTO taxes which is quite high case the car is registered in the name of the company. However, all beneficial interests of the car belongs to the company. For car loan, the first applicant is hence the Director in whose name the car is taken and the company is the co-applicant. The car has had been hypothecated with the bank. However, since the company is a co-applicant for the loan, the company has registered charge with ROC.

INSPECTION UNDER SECTION 209A OF COMPANIES ACT, 1956

The company has filed for compounding petitions with the Regional Director, Western Region, Ministry of Company Affairs for Sections 193, 297 (3 counts), 127, 303, 372A(5), and 147 and with the Company Law Board for Sections 295 (4 counts), 220, 192(1), 269, 198, 309, 310/311, 307, 217 (3), 141 and 142 for violations / contraventions of Companies Act, 1956 as identified to the company in the inspection report carried out under section 209A of the Companies Act, 1956.

All Petitions have been decided by the Regional Director, Western Region, Ministry of Corporate Affairs. The penal charges / compounding charges so levied by the Honorable Authority has been paid by the Company.

Compounding Petitions u/s 295 (1 count), 220, 192(1), 307, 217(3), 141 and 142 have been decided by the Hon'ble Company Law Board. The penal charges / compounding charges so levied by the Honorable Authority has been paid by the Company.

AUDITORS

M/s. Sanjay Vhanbatte & Company, Chartered Accountants, retire in this general meeting. Being eligible, he has offered himself for appointment. It is decided to appoint M/s. Sanjay Vhanbatte & Company, Chartered Accountants, with approval of members in forthcoming Annual General Meeting of the Company.

OTHER DISCLOSURES

It is proposed to increase the share capital of the company by issue of Preferential Shares towards raising of additional capital by the Company pursuant to Section 81(1A) of the Companies Act, 1956 and as per the SEBI (Issue of Capital and Disclosure Requirement) Regulation, 2009 subject to approval by the shareholders of the company by way of Postal Ballot.

It is also proposed to alter the Main Objects Clause III (A) of the Memorandum of Association subject to approval by the shareholders of the company by way of Postal Ballot.

COMPLIANCE CERTIFICATE

Since the paid up capital of the company exceeds the prescribed limits, the company is required to obtain the certificate from a secretary in whole time practice.

pursuant to the provisions of section 383A of the companies Act, 1956 and the same forms part of this report.

COMMENTS IN COMPLIANCE CERTIFICATE

1. Non-Compliance of Section 297 of the Companies Act, 1956 : The company has repaid the outstanding amount to the party/ies listed in the register maintained under Section 301 on 11/11/2010. The company had, thereafter, filed a petition for compounding of this violation / offence with the Regional Director, Western Region, Ministry of Corporate Affairs for the period upto 11/11/2010.

INTERNAL AUDITORS

M/s. Anil Naik, Chartered Accountants, have been appointed as Internal Auditors of the company.

ACKNOWLEDGEMENT AND APPRECIATION

The Directors place on record their grateful appreciation for the assistance and co-operation received from various Government Departments, Banks, Clients, Employees and above all, you the Shareholders.

For & on behalf of the Board
For ATHARV ENTERPRISES LTD

Bhushan Gandhi
Non-Executive
Independent Chairman

Nitten Jaju
Managing Director

Place :- Kolhapur

Date :- 12.08.2011

COMPLIANCE CERTIFICATE (Under sub-Section (1) of Section 383A of the Companies Act, 1956)

Reg. No.: L74999PN1990PLC059566

Nominal Capital: Rs.3,25,00,000/-

Paid-up Capital: Rs 3,04,64,000/-

To,
The Members,
M/S ATHARV ENTERPRISES LIMITED
1039, E, RAJARAM ROAD,
KOLHAPUR 416008.

I have examined the Registers, Records, Books and Papers of M/S. **ATHARV ENTERPRISES LIMITED**, required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being a Public limited Company comments are not required.
4. The Board of Directors duly met **SEVEN (7)** times respectively on 04 May 2010, 01 July 2010, 31 July 2010, 23 September 2010, 02 November 2010, 29 December 2010 and 02 February 2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 21-09-2010 to 23-09-2010 and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March 2010 was held on Thursday the 23rd September 2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year under review.
8. The Company has not advanced any loans to directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has not duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that Section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act during the financial year, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. i) The Company has delivered all certificates on transfer/transmission of securities during the financial year in accordance with the provisions of the Act.
ii) The Company has not deposited any amount

- in a separate Bank Account as no dividend was declared by the company during the financial Year
- iii) The Company was not required to post the warrants to any member of the company as *no dividend was declared during the financial Year*
- iv) The provisions of the Act relating to transfer of amount remaining in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund are not applicable.
- v) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted.
15. The appointment of Managing Director has been made in compliance with the provisions of Section 269 read with Schedule XIII to the Act during the financial year under review.
16. The Company has not appointed any sole-selling agents during the financial year under review.
17. The Company was *not required to obtain any approvals of the Central Government, Company Law Board, Regional Directors, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year under review except the approvals under section 297.*
18. The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, Debentures or other securities during the financial year under review.
20. The Company has not bought back any shares during the financial year under review.
21. There was no redemption of preference shares or debentures made during the financial year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer in compliance with the provisions of the Act.
23. The company had not invited/accepted any deposits including any unsecured loans falling within the purview of the section 58A during the financial Year under review.
24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March 2011 is within the borrowing limits of *the company.*
25. The Company has not made loans and investments or given guarantees or provided securities to other bodies corporate.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the financial year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects during the financial year under review.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the financial year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the financial year under scrutiny.
30. The Company has not altered its Articles of Association of the Company during the financial year under scrutiny.
31. *There were no prosecution initiated against or show cause notice received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offence under the Act. Inspection of the books of accounts and papers of the Company was undertaken on 28-06-2009 by Joint Director, Government of India, Western Region, Ministry of Corporate Affairs. The Company has received report of the same on 14-07-2010. Accordingly the Company was required to do compounding of offences under various sections. According to the information given by the Board the Company has applied for the same and orders from Regional Director and Company Law Board are awaited.*
32. The Company has not received any money as security from its employees during the financial year under review.
33. The Company has not deducted any contribution towards provident fund as it has not any scheme of provident fund, pursuant to Section 418 of the Companies Act, 1956.

SIGNATURE:

NAME:

PRASAD H. JOSHI

ACS: 20231 CP: 7381

PLACE: KOLHAPUR

DATE: 12-08-2011

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ANNEXURE - A

Annexure to the compliance certificate of
M/S ATHARV ENTERPRISES LIMITED

Registers and records maintained by the Company-

No.	Particulars
1	Register of Members and Index under Section 150 and 151.
2	Register of Transfer of shares.
3	Copies of Annual Returns under Section 159.
4	Books of Accounts under Section 209
5	Records pertaining to Director's Attendance attending their meetings.
6	Records pertaining to Member's Attendance attending their meetings.
7	Minutes Books for minutes of meetings of the Board of Directors and Members.
8	Register of application and allotment of shares.
9	Register of particulars of contracts in which Directors are interested under Section 301.
10	Register of Directors, Managing Director, Manager and Company Secretary under Section 303.
11	Register of Director's shareholdings under Section 307.

ANNEXURE - B

Annexure to the Compliance Certificate of
M/S ATHARV ENTERPRISES LIMITED

Forms and Returns as filed by M/S ATHARV ENTERPRISES LIMITED with the Registrar of Companies during the financial year ended 31st March 2011.

No Form No/ Return	Filed under relevant Section of the Act	Document Date (as per MCA website)
1. Form 32	S. 303	17-07-2010
2. Form 32	S. 303	30-10-2010
3. Form 32	S. 303	06-01-2011
4. Form 32	S. 303	10-01-2011
5. Form 8	S. 125	26-11-2010
6. Form 8	S. 125	29-11-2010
7. Form 8	S. 125	17-12-2010
8. Form 23	S. 192	17-07-2010
9. Form 23	S. 192	17-07-2010
10. Form 25C	S. 269	17-07-2010
11. Form 25C	S. 269	17-07-2010
12. Form 25C	S. 269	17-07-2010
13. Form 23	S. 192	18-07-2010
14. Form 23	S. 192	20-07-2010
15. Form 23	S. 192	22-10-2010
16. Form 25C	S. 269	17-11-2010
17. Form 25C	S. 269	25-11-2010
18. Form 25C	S. 269	25-11-2010
19. Form 23	S. 192	19-12-2010
20. Form 21	S. 141	04-01-2011
21. Form 21	S. 141	04-01-2011
22. Form 21	S. 141	13-01-2011
23. Application for Grant of Immunity Certificate		04-02-2011

24. Form 23AC and 23ACA	S.220	18-07-2010
25. Form 20B	S.160	28-05-2010
26. Form 66	S. 383A	18-07-2010
27. Form 23AC and 23ACA	S.220	22-10-2010
28. Form 20B	S.160	30-11-2010
29. Form 66	S. 383A	22-10-2010

Place: KOLHAPUR

Date: 12-08-2011

PRASAD H. JOSHI

COMPANY SECRETARY

ACS 20231 CP: 7381

AUDITORS' REPORT TO THE MEMBERS

To,
The Members,
ATHARV ENTERPRISES LIMITED

We have audited the attached Balance Sheet of **ATHARV ENTERPRISES LIMITED** as at March 31, 2011 and also the Profit and Loss Account of the Company 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 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 amount 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.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we give in the annexure a statement on the matters specified in the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above we report that:
 - a) Please refer Note No.4(iii) for details of sale of shares made at prices lesser than their respective costs.
 - b) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - c) in our opinion, proper books of accounts as required by law have been kept by the company, so far as appears from examination of the books.

- d) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account.
- e) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting standards referred to in sub-section (3 C) of Section 211 of the Companies Act, 1956 as are applicable to the company.
- f) On the basis of confirmations received from the directors concerned and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March,31st March,2010 from being appointed as a Director under clause (g) of Sub-section (1) of Section 274 of the Companies Act,1956.
- g) **Attention is invited to Note No.14 in respect of Employee Benefits and to Note No. B (4) Subject to the comments there in, in our opinion and to the best of our information and according to the explanation given to us, the said accounts read together with Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true fair view in conformity with the accounting principles generally accepted in India.**
 - i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011.
 - ii. In the case of Profit and Loss Accounts, of the Profit for the year ended on the date and
 - iii. In so far as it relates to the Cash Flow Statement of the Cash Flow of the Company for the year ended on that date.

Place:Kolhapur
Date: 12.08.2011

For and on behalf of
SANJAY VHANBATTE & CO.
Chartered Accountants
FRN: 112996 W

Sanjay M. Vhanbatte
Proprietor
M.NO.044808

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FINANCIAL YEAR ENDING 31ST MARCH, 2011 ANNEXURE TO THE AUDITORS REPORT

(Referred to in paragraph 1 of our Report of even date)

1. In respect of its assets

a) The Company has maintained records showing full particulars including quantitative details of Fixed Assets. **Car and the loan taken in respect there of are in the individual names of the directors.**

b) As explained to us, fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed in 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 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 information and explanation 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 were no material discrepancies noticed on physical verification of inventory as compared to the book records.

3. In respect of loans, secured or unsecured, granted by the Company to /from companies, firms or other parties covered in the registered maintained under Section 301 of the Companies Act, 1956 :

a) The Company has not given any loans to parties listed in the register maintained under Section 301.

b) The Company has taken following loans from parties listed in the register maintained under Section 301.

	Balance Outstanding As at 31-03-2011	Maximum Balance outstanding during year
Jai Enterprises	0	6,464,525.00

(The company has repaid the outstanding amount to Jai Enterprises on 11/11/2010. No interest is paid by the company on the amount.)

c) In our opinion and according to our information and explanation given to us, the terms and conditions on which the loans are taken are not, prima facie, prejudicial to the interest of the Company.

d) Since the said loans being payable on demand and being interest free the question of regularity of payment of interest / principle does not arise.

e) There are no overdue amounts in respect of loans taken by the Company.

4. In our opinion and according to our information and explanation given to us, there are adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of the 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 explanation given to us, the transactions made in purchase of contracts on arrangements, that under Section 301 of the Companies Act, 1956 have been so entered.

b) In our opinion and to the best of our information and knowledge the transactions have been made at prices

which are reasonable having regard to the prevailing market prices at relevant times.

6. The Company has not accepted any deposits from the public.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of Cost Records under Section 209, (1) (d) of the Companies Act, 1956 for the company.
9. In respect of statutory dues :
 - a) According to the records of the Company undisputed statutory dues including Income-Tax, sales tax and other statutory dues have been generally regularly deposited with the appropriate authorities except for some minor delays in depositing TDS. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March, 2010 for a period of more than six months from the date of becoming payable. The company is not liable to Provident fund, Investor Education and Protection Fund, ESI, Wealth Tax, Custom Duty and Cess as certified by the company.
10. The accumulated losses of the company are not more than fifty percent of its worth Company at the end of the financial year under report and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. The company has not defaulted in repayment of dues to banks. It does not have any liabilities towards financial institution or debenture holders.
12. In our opinion and according to the information and explanation give 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.
14. Therefore clause 4 (xiii) of the Companies (Auditor's Report) Order.2003 is not applicable to the Company.
14. The Company has maintained proper records of the transactions and contracts of dealing in shares, securities, debenture and other investments with timely entries having been made therein. *Certain shares are not in the name of the company inasmuch as they stand given as a security for financial facilities/credit trade facilities.*
15. Based on our audit procedures and as per information given to us the Company has not given guarantees for loans taken by others from banks or financial institutions.
16. Based on our audit procedures and as per information given to us the company has not raised any term loans during the year.
17. According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we are of the opinion that the company has not utilized any short term resources for investment in long term assets.
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. The Company has not raised any money by way of public issue during the year.
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 statement to be materially misstated.

For and on behalf of
SANJAY VHANBATTE & CO.
Chartered Accountants
FRN: 112996 W

Place:Kolhapur
Date: 12.08.2011

Sanjay M. Vhanbatte
Proprietor
M.NO.044808

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BALANCE SHEET AS ON 31 MARCH, 2011

PARTICULARS	SCH.NO.	AMOUNT	
		31.03.2011	31.03.2010
SOURCES OF FUNDS			
1. SHAREHOLDERS FUNDS			
SHARE CAPITAL	1	30,464,000.00	30,464,000.00
2. SECURED LOANS	2	12,944,985.82	11,113,752.08
3. UNSECURED LOANS	3	0.00	0.00
4. DEFERRED TAX LIABILITY		24,795.00	20,668.00
Total		<u>43,434,780.82</u>	<u>41,598,420.08</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	2,294,743.72	2,269,585.72
Less: Depreciation		1,136,932.00	938,803.00
		<u>1,157,811.72</u>	<u>1,330,782.72</u>
INVESTMENTS	5	9,615,044.86	4,119,659.70
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors	6	2,362,651.14	5,310,993.70
Inventory	7	3,390,113.95	2,017,319.67
Cash & Bank Balances	8	2,362,461.76	882,541.61
Loans and Advances	9	19,660,039.64	26,641,405.14
		<u>27,775,266.49</u>	<u>34,852,260.12</u>
CURRENT LIABILITIES and PROVISIONS	10	1,707,578.36	6,717,338.43
NET CURRENT ASSETS		<u>26,067,688.13</u>	<u>28,134,921.69</u>
MISCELLANEOUS EXPENSES & LOSSES			
Profit & Loss Account	11	6,593,236.11	8,013,055.97
		<u>6,593,236.11</u>	<u>8,013,055.97</u>
		<u>43,433,780.82</u>	<u>41,598,420.08</u>
Notes on Accounts	23	0.00	0.00

As per our report of even date.

For **SANJAY VHANBATTE & CO.**

Chartered Accountants

S. M. VHANBATTE Proprietor

Date : 12.08.2011

Place : Kolhapur

On behalf of the Board of Directors of Atharv Enterprises Ltd.

Sd/-
NITTEN JAJU
Managing Director

Sd/-
BHUSHAN GANDHI
Non Executive Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2011
REGISTERED OFFICE

PARTICULARS	SCH.NO.	AMOUNT	AMOUNT
		31.03.2011	31.03.2010
INCOME	12	4,117,208.65	3,325,865.91
		<u>4,117,208.65</u>	<u>3,325,865.91</u>
EXPENDITURE			
Administrative & Other Expenses	13	2,395,614.50	1,257,861.47
Depreciation	4	168,013.00	210,126.00
		<u>2,563,627.50</u>	<u>1,467,987.47</u>
PROFIT (LOSS) BEFORE INTEREST		1,553,581.15	1,857,878.44
Finance Expenses	14	1,083,480.85	1,044,849.67
PROFIT (LOSS) BEFORE TAX		470,100.30	813,028.77

YARN MARKETING DIVISION

INCOME			
Sales		32,514,368.95	44,044,470.86
Other Income	15	452,785.10	504,836.00
		<u>32,967,154.05</u>	<u>44,549,306.86</u>
EXPENDITURE			
COST OF YARN SOLD	16	31,162,503.00	41,473,452.67
Administrative & Other Expenses	17	930,140.22	2,172,225.48
Depreciation	4	30,116.00	24,329.00
Finance Expenses	18	311,326.75	267,236.30
		<u>32,434,085.97</u>	<u>43,937,243.45</u>
PROFIT (LOSS) TRANSFERRED TO MAIN P & L A/C		533,068.08	612,063.41

ELECTRICALS DIVISION

INCOME			
Sales		9,647,455.38	8,252,264.82
Other Income	20	244,707.82	418,461.55
		<u>9,892,163.20</u>	<u>8,670,726.37</u>
EXPENDITURE			
COST OF Goods sold	21	8,495,288.37	7,468,793.47
Administrative Expenses	22	299,461.23	181,494.24
Marketing Expenses	22	53,341.62	184,670.36
Employee Costs	22	267,402.50	311,172.00
Finance Expenses	22	137,104.00	6,421.96
		<u>9,252,597.72</u>	<u>8,152,552.03</u>
PROFIT (LOSS) TRANSFERRED TO MAIN P & L A/C		639,565.48	518,174.34
Notes on Accounts	23		

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PROFIT & LOSS APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31.03.2011

PARTICULARS	SCH.NO.	AMOUNT	AMOUNT
		31.03.2011	31.03.2010
PROFIT(LOSS)FINANCE/INV DIVISION		470,100.30	813,028.77
PROFIT (LOSS): YARN DIVISION		533,068.08	612,063.41
PROFIT (LOSS): HAVELS DIVISION		639,565.48	518,174.34
Less:Extra Ordinary Expenses		0.00	(280,000.00)
Less:PRIOR PERIOD EXPENSES	19	0.00	(6,517.00)
TOTAL		1,642,733.86	1,656,749.52
PROVISION :CURRENT INCOME TAX		125,371.00	395,000.00
PROVISION :DEFERRED TAX		4127.00	(60,568.00)
PROFIT AFTER TAX		1,513,235.86	1,322,317.52
Add:Excess Income Tax Provision for Earlier Year written back		93,416.00	0.00
		1,419,819.86	1,322,317.52
Balance brought forward from Earlier Years		(8,013,055.97)	(9,335,373.49)
Balance carried over to Balance Sheet		(6,593,236.11)	(8,013,055.97)

As per our report of even date.

On behalf of the Board of Directors of Atharv Enterprises Ltd.

For **SANJAY VHANBATTE & CO.**

Chartered Accountants

Sd/-

NITTEN JAJU
Managing Director

Sd/-

BHUSHAN GANDHI
Non Executive Director

S. M. VHANBATTE Proprietor

Date : 12.08.2011

Place : Kolhapur

Schedules to the Balance Sheet as at 31 March, 2011

PARTICULARS	SCH.NO.	AMOUNT	AMOUNT
		31.03.2011	31.03.2010
SCHEDULE NO.1			
SHARE CAPITAL			
Authorized Capital			
32,50,000 Equity shares of Rs.10 each		32,500,000.00	32,500,000.00
Issued,subscribed & paid up capital			
30,46,500 (Previous Year 30,46,500)			
Equity Shares of Rs.10/-each fully Paid-up		30,465,000.00	30,465,000.00
Less:Calls in arrears (Other than directors)		1,000.00	1,000.00
		30,464,000.00	30,464,000.00

PARTICULARS	SCH.NO.	AMOUNT 31.03.2011	AMOUNT 31.03.2010
SCHEDULE NO.2			
SECURED LOANS			
Veershaiv Bank: Cash Credit (Secured by Current Assets of the Company)		2,894,276.00	2,020,575.00
Yes Bank: Cash Credit (Secured by Current Assets of the Company)		1,903,271.85	522,787.96
HDFC Bank- Car Loan (Secured by SX-4)		235,082.41	413,637.23
Citi Financial Services: Loan (Secured by Personal Properties of Directors)		7,912,355.56	8,156,751.89
		<u>12,944,985.82</u>	<u>11,113,752.08</u>

SCHEDULE NO.3
UNSECURED LOANS

Deposits from Directors	0.00	0.00
Deposits from Directors: Electricals Division	0.00	0.00
Deposits from Directors: Yarn Division	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

SCHEDULE 4
FIXED ASSETS & DEPRECIATION as on 31.03.2011

ASSETS	RATE OF DEPR.	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		COST 01.04.2010	ADDITIONS DURING THE YEAR	ASSETS SOLD DURING THE YEAR	TOTAL AS ON 31.03.2011	WRITTEN OFF 01.04.2010	WRITTEN BACK DURING THE YEAR	FOR THE YEAR	TOTAL WRITTEN OFF TO 31.03.2011	AS AT 01.04.10	AS AT 31.03.11
Computer	16.21%	94760.00	0.00	0.00	94760.00	73205.00	0.00	3892.00	77097.00	21555.00	17663.00
Furniture	6.33%	76041.00	10958.00	0.00	86999.00	32615.00	0.00	5261.00	37876.00	43426.00	49123.00
Ford Ikon	9.50%	576900.00	0.00	0.00	576900.00	392495.00	0.00	54804.00	447299.00	184405.00	129601.00
Wagon R	9.50%	386866.00	0.00	0.00	386866.00	212855.00	0.00	36752.00	249607.00	174011.00	137259.00
Office											
Equipment	4.75%	69895.00	0.00	0.00	69895.00	7803.00	0.00	2232.00	10035.00	62092.00	59860.00
Maruti SX4	9.50%	740409.00	0.00	0.00	740409.00	131812.00	0.00	61476.00	93288.00	608597.00	547121.00
Electrical											
Instalation	4.75%	78814.00	0.00	0.00	78814.00	17564.00	0.00	3596.00	21160.00	61250.00	57654.00
								169013.00			
YARN DIV.											
Furniture	6.33%	50189.00	7500.00	0.00	57689.00	16474.00	0.00	3531.00	20005.00	33715.00	37684.00
COMPUTER											
SOFTWARE	16.21%	142656.17	6700.00	0.00	149356.17	48224.00	0.00	24065.00	72289.00	94432.17	77067.17
TELEPHONE											
MOBILE	4.75%	53055.55	0.00	0.00	53055.55	5756.00	0.00	2520.00	8276.00	47299.55	44779.55
								30116.00			
Totals as at											
31.03.2011		2269555.72	25158.00	0.00	2294743.72	938803.00	0.00	198129.00	1136932.00	1339782.72	1157811.72
31.03.2010		2610739.35	183782.39	524970.00	2269585.72	948185.00	243837.00	234455.00	938603.00	1662608.33	1330782.72

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SCHEDULE 5 INVESTMENTS QUOTED LONG TERM INVESTMENTS (AT COST)

	SHARES 31.03.11	RATE 31.03.11	COST 31.03.11	MARKET VALUE
Vadilal Enterprises Ltd	700	79.80	12,005.00	55,860.00
Steel Authority of India Ltd	1000	169.75	107,846.35	169,750.00
Essar Steel Ltd	500	51.80	14,689.35	25,900.00
Tata Steel Co Ltd	50	620.50	14,112.50	31,025.00
NTPC Ltd	225	193.00	27,957.00	43,425.00
Videocon Industries Ltd	300	191.20	67,500.00	57,360.00
Reliance Industries Ltd	50	1,047.80	63,805.50	52,390.00
GMR Industries Ltd	155	40.70	55,760.00	6,308.50
GMR Ferro Alloys Ltd	95	109.15	34,175.00	10,369.25
		TOTAL	<u>397,850.70</u>	<u>452,387.75</u>
UNQUOTED LONG TERM				
Atharv Mines Pvt Limited			500,000.00	500000
Atharv Agencies Private Limited			500,000.00	500000.00
Veershaiv Co-op Bank Ltd			35,000.00	35,000.00
		TOTAL	<u>1,035,000.00</u>	<u>1035000.00</u>
SHARE APPLICATION MONEY				
Atharv Mines Pvt Limited			4,039,966.00	4,039,966.00
Sunchemie Industries Pvt Ltd			917,421.24	917,421.24
			<u>4,957,387.24</u>	<u>4,957,387.24</u>
Investment in Partnership Firms				
Green Fuel Tech			3,179,806.92	3,179,806.92
Jai Mining Corporation			40,000.00	40,000.00
			<u>3,219,806.92</u>	<u>3,219,806.92</u>
GOVERNMENT SECURITIES : NSC				
			5,000.00	5,000.00
		TOTAL	<u>5,000.00</u>	<u>5,000.00</u>
		GRAND TOTAL:31.03.11	<u>9,615,044.86</u>	<u>9,669,581.91</u>
		GRAND TOTAL:31.03.10	4,235,459.70	4,299,123.56
			31.03.2011	31.03.2010
Aggregate Value of quoted investments			397,850.70	873,418.04
Aggregate Value of unquoted investments			9,217,194.16	3,362,041.66
Aggregate Value of Application Money			4,957,387.24	948,623.24
Market Value of quoted Investments			452,387.75	1,052,881.90

PARTICULARS	SCH.NO.	AMOUNT 31.03.2011	AMOUNT 31.03.2010
SCHEDULE NO.6			
SUNDRY DEBTORS			
(Unsecured , Considered good)			
Debts outstanding for a period exceeding six months			
HEAD OFFICE		0.00	0.00
YARN MARKETING DIVISION		347,580.00	268,913.00
ELECTRICALS DIVISION		224,475.98	55,749.00
Others			
HEAD OFFICE		449,156.23	0.00
YARN MARKETING DIVISION		677,384.00	3,535,499.00
ELECTRICALS DIVISION		664,054.93	1,450,832.70
		<u>2,362,651.14</u>	<u>5,310,993.70</u>
SCHEDULE NO.7			
INVENTORY			
YARN MARKETING DIVISION : YARN		0.00	207,345.00
ELECTRICALS DIVISION		3,390,113.95	1,809,974.67
		<u>3,390,113.95</u>	<u>2,017,319.67</u>
SCHEDULE NO.8			
CASH AND BANK BALANCES			
Cash In hand			
HEAD OFFICE		20,067.43	190,661.43
YARN MARKETING DIVISION		251,308.34	83,049.34
ELECTRICALS DIVISION		203,630.15	109,965.82
Balances with Scheduled Banks			
HEAD OFFICE		1,797,546.54	348,727.75
YARN MARKETING DIVISION		22,445.05	41,748.92
ELECTRICALS DIVISION		64,773.25	105,697.35
Balances with Other Banks			
YARN MARKETING DIVISION			
Veershaiv Bank, Ichal Branch		2,691.00	2,691.00
		<u>2,362,461.76</u>	<u>882,541.61</u>
SCHEDULE NO.9			
LOANS AND ADVANCES			
(Unsecured and as adjusted for prov. Required on NPA)			
Loans (See note 7 of Schedule 24B)		17,533,212.00	19,624,345.00
Less: NPA Provision		0.00	0.00
		<u>17,533,212.00</u>	<u>19,624,345.00</u>

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PARTICULARS	SCH.NO.	AMOUNT	AMOUNT
		31.03.2011	31.03.2010
Advance recoverable in cash or in kind or for value to be received		102,642.00	1,109,835.50
Advance : Patil Minerals		0.00	3,150,000.00
Advance : Expenses:Patil Minerals		0.00	618,426.00
Income Tax refund Receivable:2007-08		0.00	68,305.00
Income Tax Advance 10-11		310,187.00	0.00
Tax Deducted at Source: 09-10		0.00	398,858.00
Tax Deducted at Source: 08-09		0.00	45,096.00
Telephone Deposit		6,000.00	6,000.00
VAT Refund (08-09)		53,826.20	53,826.20
YARN MARKETING DIVISION			
Advances to Suppliers		687,475.44	625,887.44
Deposit: BSNL		2,000.00	2,000.00
Deposit : NTC		750,000.00	750,000.00
Deposit : NTC: Interest Receivable		122,559.00	52,138.00
Tax Deducted at Source:2009-10		0.00	38,913.00
Prepaid Insurance		6,783.00	6,783.00
Deposits: Mills		0.00	68,283.00
Dep.Rajsthan Rajya Sah Spin:Interest Receivable		0.00	11,636.00
ELECTRICALS DIVISION			
Deposits		45,000.00	10,000.00
Octroi Reimbursement Receivable		35,044.00	0.00
Staff Advances		5,311.00	1,073.00
		<u>19,660,039.64</u>	<u>26,641,405.14</u>
SCHEDULE NO.10			
CURRENT LIABILITIES AND PROVISIONS			
HEAD OFFICE			
Sundry Creditors		30,340.78	39,376.41
Payable : Shubh Labh Mines		0.00	10,000.00
Sales Tax Payable		51,863.53	48,814.00
Provisions		158,004.00	82,587.87
YARN MARKETING DIVISION			
Sundry Creditors		773,385.77	5,384,088.84
Sundry Creditors for expenses		1,712.00	0.00
Sundry Debtors with Credit Balances		0.00	585.00
Payable on Credit Cards		7,481.61	21,152.51
Brokers Commission Payable		47,775.00	54,567.00
Sales Tax Payable		0.00	756.00
TDS Collected and Payable		7,795.00	105,980.00

PARTICULARS	SCH.NO.	AMOUNT 31.03.2011	AMOUNT 31.03.2010
Provision for Bad Debts		0.00	0.00
Provisions		9,359.00	8,879.00
ELECTRICALS DIVISION			
Employee Deposits		7,000.00	2,100.00
Sundry Creditors:		301,189.56	442,688.08
Sundry Debtors with Credit Balances		105,585.63	101,670.10
Sundry Creditors for Expenses		32,803.48	4,549.00
Salary Payable		6,012.00	0.00
CST Payable		0.00	1,174.62
TDS Payable		0.00	6,345.00
Sales Tax Payable		0.00	0.00
Profession Tax		400.00	0.00
SUSPENSE: UNEXPLAINED CREDIT IN BANK		0.00	5,880.00
Provisions		41,500.00	1,145.00
		<u>1,582,207.36</u>	<u>6,322,338.43</u>
PROVISIONS FOR TAXATION			
For Current Taxation (Income Tax)		125,371.00	395,000.00
		125,371.00	395,000.00
		<u>1,707,578.36</u>	<u>6,717,338.43</u>
SCHEDULE NO.11			
Profit & Loss Account			
		6,593,236.11	8,013,055.97
		<u>6,593,236.11</u>	<u>8,013,055.97</u>
SCHEDULE NO.12			
RECEIPTS			
Finance Income		2,869,111.00	2,703,060.00
(TDS Rs.2,96,482/- Prev. Yr Rs.3,98,858/-)			
Dividends (Gross)		10,898.00	5,473.60
Profit (Loss) on Trading in shares		128,933.74	(10,842.11)
Short Term Capital Gains (Loss) in Shares		21,892.85	136.00
Interest on Income Tax Refund		11,854.00	0.00
Long Term Capital Gains (Loss) in Shares		38,212.06	0.00
Int received on Reliance Mutual Fund		8,393.53	0.00
Share of Profit from Green Fuel Tech		1,027,913.47	628,038.42
		<u>4,117,208.65</u>	<u>3,325,865.91</u>
SCHEDULE NO.13			
Administrative and Other Expenses			
1.Payments to & Provisions for Employees Salaries		160,712.00	272,743.00
2.Administrative and Other Expenses			

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PARTICULARS	SCH.NO.	AMOUNT 31.03.2011	AMOUNT 31.03.2010
Audit Fees (see Note 5 of Schedule 23)		43,090.00	33,000.00
Advertisement Expenses		54,651.00	0.00
Bank Charges/Commission		326.48	0.00
Charity & Donations		11,250.00	12,351.00
Club Fees		3,971.00	9,200.00
Computer Expenses		25,639.00	12,830.00
Conveyance		12,843.24	67,182.38
S/Tax & other charges on shares		13,368.24	0.00
Directors Remuneration/Perquisites		160,977.00	228,090.00
Director Sitting Fees		22,000.00	17,000.00
Electricity Charges		22,874.00	11,610.00
General Office Expenses		54,734.50	27,591.40
Insurance		16,141.50	24,240.50
Listing Fees		57,358.00	45,004.00
Membership Fees		0.00	1,800.00
Postage & Telegram		48,615.00	4,531.00
Printing & Stationery		22,230.00	33,067.00
Professional Fees		110,000.00	7,500.00
Secretarial Audit Fees		20,000.00	20,000.00
ROC Expenses		33,855.00	0.00
Telephone Expenses		108,211.62	79,552.20
Testing Charges		49,635.00	0.00
Travelling and Conveyance		180,404.92	51,029.67
Furniture Repairs & Maintenance		100,820.00	0.00
Vehicle Repairs & Maintenance		17,177.00	29,333.00
Stamp & Notory charges		23,730.00	0.00
Sevice and Other Taxes		0.00	162.86
Loss on Sale of Vehicle		0.00	226,133.00
Loan Processing fees & stamp Duty		21,000.00	15,000.00
Sales Tax Set Off Reversed		0.00	28,910.46
Sundry Balance Written off		1,000,000.00	0.00
		<u>2,395,614.50</u>	<u>1,257,861.47</u>
SCHEDULE NO.14			
FINANCE EXPENSES			
Interest on Bank Loans		1,083,480.85	1,044,849.67
		<u>1,083,480.85</u>	<u>1,044,849.67</u>
SCHEDULE NO.15			
OTHER INCOME			
Commission on Yarn sales		33,559.00	250,247.00
Bank Commission/Hamali Recovered		0.00	5,343.00
Sundry Balances written Back		792.00	2,427.00

PARTICULARS	SCH.NO.	AMOUNT	AMOUNT
		31.03.2011	31.03.2010
Interest Received		177,002.00	74,956.00
Rate Difference		8,909.00	2,619.00
Hamali Reimbursement		232,523.10	0.00
Interest on Late Payments		0.00	169,244.00
		<u>452,785.10</u>	<u>504,836.00</u>
SCHEDULE NO.16			
COSTS OF GOODS SOLD			
Opening Stock of Yarn		207,345.00	660,867.00
Purchases of Yarn		30,947,348.00	41,002,376.67
Freight Expenses on Purchases		7,810.00	17,554.00
		<u>31,162,503.00</u>	<u>41,680,797.67</u>
Less: Closing stock of Yarn		0.00	207,345.00
		<u>31,162,503.00</u>	<u>41,473,452.67</u>
SCHEDULE NO.17			
ADMINISTRATIVE AND OTHER EXPENSES			
Bad Debts		11,903.00	0.00
Broker Commission		113,027.00	1,135,529.00
Computer Expenses		8,100.00	14,510.00
Conveyance		87,948.52	73,587.36
Diwali Bonus		19,087.00	20,000.00
Donation		1,100.00	0.00
Director Remuneration		86,500.00	225,000.00
General Office Expenses		18,287.00	32,272.00
Insurance Charges		6,783.00	14,025.00
License & Registration Fees		1,940.00	900.00
Membership & Subscription Fees		3,300.00	7,100.00
Office Rent		0.00	120,000.00
Postage & Courier		1,077.00	1,588.00
Printing & Stationery/Xerox		6,002.00	3,595.00
Professional Fees		7,000.00	10,400.00
Rate Difference		0.00	23,228.00
Salary Paid		300,944.00	344,915.00
Office Electricity expenses		28,897.25	0.00
Rent/Society charges		11,874.60	0.00
Telephone & Fax Expenses		36,584.91	33,910.25
Testing / Lab Charges		380.00	760.00
Travelling Expenses:Directors		148,721.44	94,189.37
Vehicle Expenses		30,683.50	11,494.00
Warehousing Charges		0.00	2,130.00
TDS WRITTEN OFF		0.00	3,092.50
		<u>930,140.22</u>	<u>2,172,225.48</u>
SCHEDULE NO.18			
FINANCE EXPENSES			
Interest to Bank		310,565.00	219,636.00
Bank Charges		761.75	47,600.30
		<u>311,326.75</u>	<u>267,236.30</u>

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PARTICULARS	SCH.NO.	AMOUNT 31.03.2011	AMOUNT 31.03.2010
SCHEDULE NO.19			
PRIOR PERIOD EXPENSES			
Office Rent		0.00	1,890.00
Electricity Charges		0.00	750.00
Telephone Charges		0.00	3,877.00
		<u>0.00</u>	<u>6,517.00</u>
Less: Prior Period Income		0.00	0.00
Net Prior Period Expenses		<u>0.00</u>	<u>6,517.00</u>
SCHEDULE NO.20			
OTHER INCOME			
Rate Difference/Spl Discount		201,257.99	51,218.38
Cash Discount		14,326.01	99,905.91
Sundry Balances written Back/Rounding off		6,856.01	0.00
Turnover Discount		22,267.81	267,337.26
		<u>244,707.82</u>	<u>418,461.55</u>
SCHEDULE NO.21			
COSTS OF GOODS SOLD			
Opening Stock		1,809,974.67	888,630.59
Purchases		10,075,427.65	8,390,137.55
		11,885,402.32	9,278,768.14
Less: Closing stock		3,390,113.95	1,809,974.67
		<u>8,495,288.37</u>	<u>7,468,793.47</u>
SCHEDULE NO.22			
ADMINISTRATIVE AND OTHER EXPENSES			
Advertisements		792.00	7,371.00
Bad Debts		14,406.08	450.00
Cash Discount		18,102.15	28,524.00
Computer Expenses		350.00	250.00
Diwali Gifts		11,876.00	1,852.00
Directors Remuneration		41,500.00	0.00
Beverage Expenses		3,894.00	0.00
General Office Expenses		14,884.00	13,380.00
Octroi Paid		36,306.00	2,177.00
Postage & Courier		1,420.00	1,819.00
Printing & Stationery/Xerox		16,986.00	10,959.00
Rent		66,120.00	63,000.00
Rent/Society/Taxes-Godown		27,000.00	36,629.50
Return/ Replacement Discount		1,845.00	0.00
Rounding Off		0	75.87
Tea/Coffee/Cold Drinks		25.00	461.00
Telephone & Fax Expenses		33,561.00	9,218.87

PARTICULARS	SCH.NO.	AMOUNT 31.03.2011	AMOUNT 31.03.2010
Transportation & Hamali		10,394.00	5,143.00
Vehicle Repairs and Maintenance		0.00	184.00
		<u>299,461.23</u>	<u>181,494.24</u>
EMPLOYEE COST			
Staff Salary		218,432.00	302,459.00
Tea Allowance		462.00	3,233.00
Dearness Allowance		0.00	3,720.00
Employee Conveyance Allowance		48,508.50	1,760.00
		<u>267,402.50</u>	<u>311,172.00</u>
MARKETING EXPENSES			
Travelling /Conveyance		29,958.00	68,960.36
Commission/Brokerage		12,970.62	67,132.00
Incentive Under sales scheme		10,413.00	48,578.00
		<u>53,341.62</u>	<u>184,670.36</u>
FINANCE EXPENSES			
Bank Charges		715.00	3,377.00
Interest on Bank Loans		136,389.00	3,044.96
		<u>137,104.00</u>	<u>6,421.96</u>
		<u>757,309.35</u>	<u>683,758.56</u>

**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.	59566
State Code	11
Balance Sheet Date	31st March 2011

II. Capital Raised during the year

Public issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement : Capital	NIL

III. Position of Mobilisation and

Deployment of funds (Amount in Rs. '000)

Total Liabilities	45141
Total Assets	45141

Sources of Funds

Paid up capital	30464.
Deferred Tax Liability	25
Reserves & Surpluses	NIL
Secured Loans	12945
Unsecured Loans	0
	43,434.00

Application of Funds

Net Fixed Assets	1,158
Investments	9,615
Net current Assets	26,068
Miscellaneous Expenditure	NIL
Accumulated Losses	6,593

IV. Performance of the Company

Turnover (Including Other Income)	3,70,844
Total Expenditure	3,69,424
Net Profit	1,420
Earning Per Share	0.47
Dividend Rate (%)	NIL

**V. Generic Names of Principal Products /
Services of the Company
(As per Monetary Terms)**

Product Description	Item Code No (ITC Code)
i. Financing	Not Applicable
ii. Investments	Not Applicable
iii. Trading in Yarn	Not Applicable

Kolhapur, Date 12-08-2011

On behalf of the Board of Directors of Atharv Enterprises Ltd.

Sd/-

NITTEN JAJU
Managing Director

Sd/-

BHUSHAN GANDHI
Non Executive Director

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

Particulars	Amount in Rs.	
	For the Year ended 31.3.2011	For the Year ended 31.3.2010
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit(Loss) before tax and Extra Ordinary Items	1,642,733.86	1,656,749.52
Adjustment for:		
Depreciation	198,129.00	234,455.00
Dividend	(10,898.00)	(5,473.60)
Profit(Loss) on sale of Investments	(189,038.65)	10,706.11
Profit (Loss) on Sale of Other Assets	0.00	226,133.00
Share of Profit from Green Fuel Tech	(1,027,913.47)	(628,038.42)
Interest Income (Expenses) : NET	(390,822.55)	(346,124.36)
Operating Profit before Working Capital Changes	222,190.19	1,148,407.25
Adjustment for:		
Reduction In Inventory	(1,372,794.28)	(467,822.08)
Trade Receivables	2,948,342.56	3,316,336.40
Other Receivables	6,981,365.50	(1,856,877.67)
Trade Payable	(5,009,760.07)	(2,522,594.79)
Cash Generated from Operations	3,769,343.90	(382,550.89)
Direct Taxes Refund/(Paid)	(218,787.00)	(395,000.00)
Cash Flow before Extraordinary Item	3,550,556.90	(777,550.89)
Extraordinary Items	0.00	0.00
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	A	A
	<u>3,550,556.90</u>	<u>(777,550.89)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale (Purchase) of Fixed Assets:NET	(25,158.00)	(128,762.39)
Sale/(Purchase)of Investments: Net	(5,495,385.16)	158,488.15
Sale of Other Assets	0.00	0.00
Share of Profit from Firm :Green Fuel Tech	1,027,913.47	628,038.42
Dividends	10,898.00	5,473.60
Profit/(Loss) on Sale of Investment	189,038.65	(10,706.11)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	B	B
	<u>(4,292,693.04)</u>	<u>652,531.67</u>
C. CASH FLOW FROM FINANCE ACTIVITIES		
Proceeds from Issue of Share Capital	0.00	0.00
Proceeds from Long Term Borrowings	(422,951.15)	70,407.42
Proceeds from Short Term Borrowings	2,254,184.89	(108,814.00)
Interest Income (Expenses):NET	390,822.55	346,124.36
NET CASH FROM/(USED IN) FINANCE ACTIVITIES	C	C
	<u>2,222,056.29</u>	<u>307,717.78</u>
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	1,479,920.15	182,698.56
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	882,541.61	699,843.05
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	2,362,461.76	882,541.61

As per our report of even date.

For **SANJAY VHANBATTE & CO.**
Chartered Accountants

On behalf of the Board of Directors of Atharv Enterprises Ltd.

Sd/-
NITTEN JAJU
Managing Director

Sd/-
BHUSHAN GANDHI
Non Executive Director

SCHEDULE 23
NOTES TO THE ACCOUNTS
(A) SIGNIFICANT OF ACCOUNTING POLICIES
1. SYSTEM OF ACCOUNTING

- A) The Company follows mercantile system of accounting and recognizes Income and Expenditure on accrual basis except in respect of interest income on Non Performing Assets which is reckoned on realization basis as per the norms set by the Reserve Bank of India.
- B) Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value of purchase power of money.
- C) Accounting policies, not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles followed by the company.

2. USE OF ESTIMATE

The presentation of the financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on the Management's evaluation of relevant facts and

circumstances as on the date of the financial statements. The actual outcome may diverge from these estimates.

3. FIXED ASSETS

Fixed assets are stated at cost less depreciation. Depreciation has been provided on the straight line method and at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

4. INVESTMENT

I) The Investments in quoted equity shares have been treated as long term investment. Accordingly, these investment have been valued.

Long term unquoted investment in companies have been valued at cost except in respect of companies which have been in loss and their going concern status is doubtful with deteriorated financial position. Share Application Money and investment in Partnership firm have been valued at cost.

Also Long term unquoted investments in shares of co-operative banks or Government Securities have been valued at cost:

ii) Investment cost include the brokerage and other related expenses. Profit / Loss on sale of investment are taken into account at the time of sale of investment.

iii) Details of shares sold at prices less than their purchase price

SR NO	Description	Quantity	PURCHASE	SALES	LOSS	
			Value	Value	Short Term	Long Term
1	LLYODS FIN LTD	2,000	91,460	86,510	(4,950)	-
2	NUTEK LTD	1,000	46,301	37,294	(9,007)	-
3	PBA INFRASTR	300	51,447	23,466	-	(47,013)
4	SILVER LINE	240	22,470	5,640	-	(21,810)
5	SILVER LINE	600	56,025	3,366	-	(65,077)
6	ISPAT Ind. Ltd.	1,200	12,000	3,216	-	(13,951)
7	ISPAT Ind. Ltd.	1,000	35,084	17,700	-	(32,491)
8	PBA INFRASTR	200	34,567	16,055	-	(31,300)
9	VIDECON IND	400	206,066	84,156	-	(198,143)

5. INVENTORIES

Inventories are valued at cost (on FIFO basis) or at realisable value which ever is less.

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6. DEPRECIATION

Depreciation has been provided on the straight line method and at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

7. PRIOR PERIOD EXPENSES / INCOME

The Company follows the practice of making adjustments through "Expenses / Income under / over provided in previous year in respect of all material transactions pertaining to the period prior to current accounting year, if any.

8. INCOME FROM INVESTMENT

Income from investments, where appropriate are taken into revenue in full on declaration or receipt and tax deducted at source thereon is treated as advance tax.

9. TREATMENT OF CONTINGENT LIABILITIES

Contingent liabilities are disclosed by way of note to the accounts, if any.

10. ACCOUNTING FOR TAXES ON INCOME

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized for all timing differences, subject to the consideration of prudence, applying the tax rates that have been substantively enacted at the Balance Sheet date.

11. BORROWING COSTS

The company has charged the entire borrowing costs to the Profit & Loss Account there being no qualifying asset with the company.

12. The company does not have any intangible assets

13. IMPAIRMENT OF ASSETS

Impairment is ascertained at each balance sheet date in respect of Cash Generating Units. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable value. The recoverable amount is the greater of the net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

14. EMPLOYEE BENEFITS:

1. Short Term Employee benefits have been accounted for either as an expenses as a charge to Profit & Loss Account or as a liability if unpaid.
2. Post Employment Benefits
 - a. Defined Contributions Plans: The company has no liability towards any defined

contributions plans.

- b. Defined Benefit Plans: The Company accounts for expenditure on defined benefits plans on actual payment basis. It is the view of the management that, due to a small number of workers the liability of the company under defined benefit plans (i.e. gratuity) is not material considering the present composition of the work force and its volume of business. The company has no liability towards retirement benefits as on 31.03.2011.

(B) NOTES FORMING PART OF THE ACCOUNTS

1. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated if realized in the ordinary course of the business, the provision for all known liabilities is adequate and no in excess of the amount considered reasonably necessary.
2. Contingent Liabilities not provided for : Nil. (Previous Year :Rs. 50.00 Lakhs in Respect of contracts remaining to be executed)
3. There is no liability in respect of respect of retirement benefits as on 31.03.2011.

4. Auditor's Remuneration

	Current Year Rs.	Previous Year Rs.
Audit fees	20,000.00	15,000.00
Income Tax Matters	10,000.00	5,000.00
Internal Audit Fees	10,000.00	13,000.00
Total	40,000.00	33,000.00

(Excluding Service Tax Payable there on)

5. DEFERRED TAX

In view of the uncertainty attached with the future profitability of the Company and lack of any convincing evidence that sufficient future taxable income would be available, company has decided not to recognize any Deferred Tax Asset in respect of the timing differences outstanding at the beginning of the year as well as those arisen during the year.

However the company has recognized the Deferred Tax Liability in respect of Depreciation excess charged in the Income tax:

The position of deferred Taxes is as under	2010-2011	2009-2010
Deferred Tax Liability		
In respect of fixed assets	24,795	20,668
	24,795	20,668

6. EARNING PER SHARE

i.	Profit After Tax	Rs.14,19,820
ii.	The weighted average number Of equity shares of Rs. 10 each	
	Total Number of Shares	30,46,500
iii.	Earning per share (Basic)	Rs.0.47

7. Figures of the previous year have been regrouped rearranged and recast wherever necessary, to make them comparable with the figures of the current year.

8. Expenditure in Foreign Currency – NIL
(Previous year Rs. NIL/-)

9. Quantitative details of goods traded :
i. FOR THE YEAR ENDING 31.03.2011

SR NO	PARTICULARS	UNIT	OPNING STOCK	PURCHASES	SALES	CLOSING STOCK
1	YARN	KG	1494	166744	168238	0
2	FANS	NUMBERS	654	3885	3416	1123
3	Switche	NUMBERS	225	3040	2344	921
4	Lights & Luminaries	NUMBERS	7973	31995	31632	8336
5	Pointers	NUMBERS	1683	6043	3349	4377
6	Pointers	NUMBERS	0	46	25	21
7	Pointers	NUMBERS	0	419	419	0
8	Pointers	NUMBERS	0	516	290	226
9	Pöinters	NUMBERS	15	0	4	11

ii. FOR THE YEAR ENDING 31.03.2010

SR NO	PARTICULARS	UNIT	OPENING STOCK	PURCHASES	SALES	CLOSING STOCK
1	YARN	KG	6171	340518	345195	1494
2	FANS	NUMBERS	279	3878	3503	654
3	Switche	NUMBERS	717	2778	3270	225
4	Lights & Luminaries	NUMBERS	3369	60382	55850	7973
5	Pointers	NUMBERS	0	2267	588	1679

**10. Disclosure in accordance with AS 18 "Related Party Disclosures"
FOR THE YEAR ENDING 31.03.2011**

	Associates	Key Management Personne	Relative of Key Management Personnel	TOTAL
Expenditure on Services	NIL	1,20,583	0	1,20,583
FINANCE				
Equity /Capital Contribution				
Outstanding as at the year end.	3,322,041	NIL	NIL	3322041
ADVANCES TAKEN	3,977,000	NIL	NIL	3,977,000
ADVANCES REPAID	7,857,100	NIL	NIL	7,857,100
SALE OF GOODS	1,05,000	NIL	NIL	1,05,000
RENT PAID	NIL	NIL	27,000	27,000
GOOD PURCHASED	2,38,468	NIL	NIL	2,38,468

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FOR THE YEAR ENDING 31.03.2010

	Associates	Key Management Personne	Relative of Key Management Personnel	TOTAL
Expenditure on Services	NIL	3,31,090	1,50,000	4,81,090
FINANCE				
Equity /Capital Contribution				
Outstanding as at the year end.	3322041	NIL	NIL	3322041
ADVANCES MADE	NIL	NIL	NIL	NIL
ADVANCES RECOVERED	14,82,822	NIL	NIL	14,82,822
ADVANCES TAKEN	17,619,681	NIL	NIL	17,619,681
ADVANCES REPAID	15,702,233	6,47,489	NIL	16,349,722
OUTSTANDING BALANCES				
ADVANCES GIVEN	NIL	NIL	NIL	NIL
ADVANCES TAKEN	39,57,025	NIL	NIL	39,57,025
SALE OF GOODS	8,60,350	NIL	NIL	29,14,868
	20,54,518			
RENT PAID	1,20,000			
	630	NIL	36,630	1,57,260
GOOD PURCHASED	11,00,881	NIL	NIL	11,00,881

NOTE: Name of related parties and description of relationship :

1. Associates :-

Jai Enterprises
Aryann Traders
Atharv Agencies Private Limited
Jai Mining Corporation
Green Fuel Tech
Sunchemie Industries Private Limited, Sri Lanka
Shubh Labh Mines

2. Key Management Personnel :-

Mrs. Ritu N Jaju
Mrs. Pooja Jaju
Mr. Nitten R. Jaju (husband of Mrs. Ritu Jaju)
Mr. Bippin Jaju (Husband of Mrs Pooja Jaju)

3. Relatives of Key Management personnel

Mr. Ramswarup Jaju (Father-in-law of Mr. Bippin Jaju)
Mrs. Sushila R. Jaju (Mother-in-law of Mr. Bippin Jaju)
Miss. Rhea Nitten Jaju (Daughter of Director)

11. Segment Information

The company has identified four reportable segments viz. trading in yarn, trading in electrical items, investments and finance. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting system. The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting.

a. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment, revenue and expenses which relate to enterprise as a whole and are not allocable to a segment

on reasonable basis have been disclosed as "unallocable"

- b. Segment assets and segment liabilities represent assets and liabilities to respective segments, investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "unallocable".
- c. Other Segment include business segments which are not reportable which consists of sale of other assets.

12. Based on the information available with the company, no creditors have been identified as "supplier" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006."

13. Particulars of Loans and Advances and investment in its own shares by listed companies, their subsidiaries, associates etc required to be disclosed in the annual accounts of the Company pursuant to Clause 32 of the Listing Agreement.

Name of the Company/Firm (Associate)	Balance 31.03.2011	Balance 31.03.2010
Shubham Electrosteels Pvt Ltd	0	1,15,800
Atharv Agencies Private Limited	5,00,000	5,00,000
Atharv Mines Pvt Limited	4,539,966.00	31,202
Sunchemie Industries Pvt Ltd	9,17,421.24	9,17,421.24
Green Fuel Tech	3,179,806.92	17,17,618
Jai Mining Corporation	40,000	40,000

14. Managerial Remuneration paid to Whole Time Directors

PARTICULARS	31.03.2011	31.03.2010
Salaries Paid To Directors	1,60,977	4,05,000
Perquisites to Directors	38,360	48,090

15. COMPUTATION OF NET PROFIT in accordance with Section 309(5) of the Companies Act, 1956 for the year ended 31.03.2011

PARTICULARS	31.03.2011	31.03.2010
Profit Before Tax and after Exceptional Items as per Profit and Loss Account	1,642,733.86	1,656,749.52
Add:		
Depreciation Charged in the Accounts	198,129.00	234,455.00
Loss on sale of assets as per Section 349 of the Companies Act, 1956	-	226,133.00
Directors' Remuneration	175,860.00	453,090.00
Provision for Doubtful Debts and Advances	-	-
Net Reduction in the fair value of current Investments	-	-
Loss on sale of Investments	(189,038.65)	10,706.11
	<u>1,827,684.21</u>	<u>2,581,133.63</u>
Less:		
Loss on sale of assets as per books	-	226,133.00
Profit on sale of Investments	-	-
Depreciation u/s 350 of the Companies Act	198,129.00	234,455.00
TOTAL	<u>198,129.00</u>	<u>460,588.00</u>
	<u>1,629,555.21</u>	<u>2,120,545.63</u>

SEGMENT REPORTING - FINANCIAL YEAR 2010-11

PARTICULARS	Trading Yarn		Tradg. Ele. Items		Investment		Finance		Other		Unallowable		TOTAL	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
1. SEGMENT REVENUE														
External Turnover	32967154	44549307	9892163	8670726	1236244	622806	2869111	2703060	0	0	0	0	46964672	56545899
Intra Segment Turnover						0								
Gross Turnover	32967154	44549307	9892163	8670726	1236244	622806	2869111	2703060	0	0	0	0	46964672	56545899
2. SEGMENT RESULT BEFORE INTEREST AND EXTRAORDINARY ITEMS AND TAXES														
Less: Interest	844395	879300	776669	524596	1212514	622643	2869111	2703060	0	0	-2528044	-2627051	3174645	3261774
Profit Before Extra	311327	267236	137104	6422	0	0	1083481	1044850	0	0	0	0	1531912	1318508
Extraordinary Items and Taxes	533068	612063	639565	518174	1212514	622643	1785630	1658210	0	0	-2528044	-2627051	1642734	1943267
Extra-ordinary Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit Before Taxes	533068	612063	639565	518174	1212514	622643	1785630	1658210	0	0	-2528044	-2627051	1642734	1943267
Current Tax	0	0	0	0	0	0	0	0	0	0	218787	-262	218787	395000
Deferred Tax	0	0	0	0	0	0	0	0	0	0	0	4127	4127	-60568
Net Profit After Tax	533068	612063	639565	518174	1212514	622643	1785630	1658210	0	0	-2750958	-2630916	1419820	1608835
3. Other Information														
Segment Assets	3027066	5867642	4632403	3543293	9615045	4119660	17533212	19624345	0	0	3740397	3744075	38548123	40302703
Segment Liabilities	3741784	7596583	2397763	1088340	0	0	7912356	8156752	0	0	625457	509093	14677359	17851759
Capital Expenditure	14200	96167	0	0	0	0	0	0	0	0	10958	10958	25158	183762
Depreciation	30116	24329	0	0	0	0	0	0	0	0	168013	168013	198129	234455
Non Cash Expenses other than depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0

SECONDRY SEGEMENT INFORMATION		2010-11	2009-10
1. Segment Revenue		46964672	56545899
2. Segment Assets		34807726	33154940
3. Segment Liabilities		14051902	16841675
4. Capital Expenditure		14200	96167

(For members holding shares in physical form)

Date: _____

To,
Adroit Corporate Services Private Ltd
19, Jaferbhoy Industrial Estate,
Makwana Road, Marol Naka,
Andheri (East),
Mumbai- 400 059

Dear Sir,

Subject: Green Initiative in the Corporate Governance- Registration of email address

Reference: Folio No.

I/we hereby give my/our consent to register the following email address(es) to receive documents such as, notice calling annual general meeting, annual report comprising of balance sheet, profit and loss account, cash flow statement, directors report, auditors' report, etc. or to receive any other document prescribed under any law, through electronic mode.

Email Address:



Thanking you,

Yours faithfully,

Name:	Name:	Name:
Signature of First Shareholder	Signature of Second Shareholder	Signature of Third Shareholder



(For members holding shares in electronic form)

Members, who hold shares in electronic form, are requested to **register email address with the Depository Participant** by a written communication quoting your DP ID and Client ID, to receive documents such as, notice calling annual general meeting, annual report comprising of balance sheet, profit and loss account, cash flow statement, directors' report, auditors' report, etc. or to receive any other document prescribed under any law, through electronic mode.

ATHARV ENTERPRISES LIMITED

Regd Office: 1039, E Rajaram Road, Kolhapur- 416 001, Maharashtra

POSTAL BALLOT NOTICE

(Pursuant to Section 192A of the Companies Act, 1956)

Dear Member,

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956, read with The Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, that the resolutions appended below are proposed to be passed as Ordinary/ Special Resolutions by way of Postal Ballot.

Members' consent is requested for the proposals contained in the Resolutions appended below. The Explanatory Statement pertaining to the said Resolutions setting out the material facts and the reasons thereof are annexed hereto along with the Postal Ballot form (the "form") for your consideration. The Company has appointed **Mr. Deependra Shukla**, Proprietor of M/s. Deep Shukla & Associates Practising Company Secretary as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the form duly completed in the attached self addressed, postage prepaid envelope, so as to reach the Scrutinizer on or before the close of working hours on the Thursday, September 22, 2011. The Ballot Form received after the said date will be treated as not to have been received. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the result of the voting by Postal Ballot will be declared on Friday, September 23, 2011 at 4.00 p.m. at the Company's Registered Office at Kolhapur.

The Last date of receiving of Postal Ballot Papers by the scrutinizer shall be deemed to be the date of passing of the said resolution.

1. INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY:

To Consider and, if though fit, to give assent/dissent to the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorized Share Capital of the Company be and is hereby increased from Rs. 3,25,00,000 (Rupees Three Crores Twenty Five Lacs only) divided into 32,50,000 (Thirty Two Lacs Fifty Thousand only) Equity Shares of Rs. 10/- (Rupees Ten only) to Rs. 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 (Sixty Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each."

2. ALTERATION OF CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION:

To Consider and, if though fit, to give assent/dissent to the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 16 and all other applicable provisions, if any, of the Companies Act, 1956 (including any Statutory modification or re-enactment thereof for the time being in force), the existing **Clause V** of the Memorandum of Association of the Company be and is hereby substituted by the following:

V. The Authorized Share Capital of the Company is 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 (Sixty Lacs only) Equity Shares of Rs. 10/- (Rupees Ten only) each with the rights, privileges and conditions attaching thereto as are provided by the regulation of the Company for the time being with power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for the time into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association of the Company for the time being."

3. ALTERATION OF CAPITAL CLAUSE OF THE ARTICLES OF ASSOCIATION:

To Consider and, if though fit, to give assent/dissent to the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any Statutory modification or re-enactment thereof for the time being in force), the existing **Clause 4** of the Articles of Association of the Company be and is hereby substituted by the following:

"The Authorized Share Capital of the Company is 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 (Sixty Lacs only) Equity Shares of Rs. 10/- (Rupees Ten only) each with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being with power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for the time into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association of the Company for the time being."

4. ALTERATION OF OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION:

To Consider and, if though fit, to give assent/dissent to the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 17 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force), and subject to such necessary approvals, if any, required in this regard from appropriate authorities, and subject further to such other terms, conditions, stipulations, alterations, amendments or modifications as may be required, specified or suggested by any such appropriate authorities, the consent of the members be and is hereby accorded to alter the Clause III A - the Main Object of the Memorandum of Association by replacing the existing sub- clauses 2 and 3 by the following new sub- clauses 2 and 3, after the existing sub- clause 1;

2. To carry on the business of trading, dealing, importing, exporting in all kinds of textile commodities, all kinds of ferrous and non-ferrous metal products & metal scrap.
3. To carry on the business of buying, selling, exchanging, importing, exporting, processing and dealing in all kinds of yarn, man-made fibre including continuous filament yarn, false twist yarn, crimping yarn, stretch yarn or artificial silk yarn and all types of synthetics, fibre or fibre whatsoever for textile, industrial and other uses, staple fibres, staple fibre yarn (also known as spun yarn) and such other fibre, fibres and fibrous materials or allied products, bye-products or substances or substitutes for all or any of them or yarn or yarns for textiles, industrial and other uses as may be practicable or deemed expedient and to sell, buy, import, export, exchange or otherwise deal in cloth and other fabrics and textiles whether manufactured by the Company or not.

RESOLVED FURTHER THAT Clause III B - the Objectives incidental or ancillary to the attainment of the above main objects be and is hereby re-numbered as sub-clauses 4 to 30.

RESOLVED FURTHER THAT Clause III C - Other Objects be and is hereby re-numbered as sub- clauses 31 to 60"

RESOLVED FURTHER THAT any one of the Directors of the Company, be and is hereby severally authorized to take all necessary steps to give effect to the said alteration and to file necessary e-forms with Registrar of Companies and to comply with all other formalities in this regard"

5. PREFERENTIAL ALLOTMENT

To Consider and if though fit, to give assent/dissent to the following resolution as **Special Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the existing guidelines/regulations/ rules issued by the Securities & Exchange Board of India (SEBI) and subject to all necessary approvals, consents, permission and/or sanctions of the Government of India, Reserve Bank of India, Foreign Investment Promotion Board, Secretariat of Industrial Approvals under the Foreign Exchange Management Act, 1999 (including any statutory modification or re-enactment thereof for the time being in force) and other applicable laws, and enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchange where the shares of the Company are listed and subject to such terms and conditions as may be determined by the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall include and committee constituted for the time being in force, thereof) and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and agreed to by the Board, the consent and approval of the Company be and is hereby accorded to Board and the Board be and is hereby authorized to offer, issue and allot by way of Preferential allotment up to **29,53,500 [Twenty Nine Lacs Fifty Three Thousand Five Hundred]** Equity Shares of Face Value of Rs.10/- each (Rupees Ten only) issued and allotted to domestic investors and/or bodies corporate (the "**Preferential Shareholders**"), on preferential allotment basis without offering the same to any persons who at the date of offer, are holders of the Equity Shares on such terms and conditions and in such manner as the Company may deem fit, with power to the Board to settle details as to form, the terms and conditions of issue and/or allotment and to modify or accept any modifications thereto and utilization of the issue proceeds as it may in its absolute discretion deem fit, without being required to seek any further consent of the Members, with the intent that the Members shall be deemed to have given their consent thereto expressly by the authority of this resolution.

Sr. No.	Name of the Allottees (Proposed Allottees)	Number of Shares Proposed to be allotted
Non Promoter Group		
1.	M/s. Divya Ply Agency Private Limited	2,00,000
2.	Manish Bohra	1,00,000
3.	Amar Chand Jain	1,10,000
4.	Ashaben Lalit Kumar Shah	1,00,000
5.	Lalit Z. Shah	1,00,000
6.	Sanjay Bajranglal Hurkat	50,000
7.	Sunil Bajranglal Hurkat	50,000
8.	Inder Chand Jain	1,45,000
9.	Leena Inder Jain	1,45,000
10.	Pankaj Dahyalal Shah	1,00,000
11.	Daxesh Dahyalal Shah	1,00,000
12.	Sapna Lalit Kumar Shah	80,000

13.	Rander Corporation Limited	1,00,000
14.	Rajendrakumar Bansilal Chechani	23,500
15.	Shavaji Ramling Sakhre	1,00,000
16.	Satish Devidas Paithankar	1,00,000
17.	Amarchand Rander	50,000
18.	Dinesh Kumar Rander	50,000
19.	Ashok Khandelwal	1,00,000
20.	Rekha Khandelwal	1,00,000
21.	Dinesh Sarode	95,000
22.	Dinesh Sarode- HUF	95,000
23.	Sakshi Dinesh Sarode	1,00,000
24.	Girish Shrichand Jain	1,00,000
25.	Ashok S. Mali	50,000
26.	Ashok Mali- HUF	50,000
27.	Chatterlal Jankilal Asawa	65,000
28.	Sarita Chatterlal Asawa	65,000
29.	Dineshchandra Ratanlal Samdani	30,000
30.	Ramkanhaiyaben Ratanlal Shah	35,000
31.	Vinod Ratanlal Samdani	30,000
32.	Mukesh Ratanlal Samdani	35,000
33.	Yogeshkumar Ratanlal Samdani	35,000
34.	Lalita Dinesh Samdani	35,000
35.	Vimalchand Pooran Chand Jain	65,000
36.	Ankit Gupta	65,000
37.	Satyanarayan Sunderlal Shah	50,000
38.	Shantaben Sunderlal Shah	50,000
Total		29,53,500

RESOLVED FURTHER THAT the aforesaid Equity Shares shall rank *pari passu* in all respect with the existing Equity Shares of the Company. The Equity Shares allotted on preferential basis shall be locked in from the date of their allotment for such periods as prescribed in Regulation 78 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009."

RESOLVED FURTHER THAT the Equity Shares to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

RESOLVED FURTHER THAT the relevant date as per Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for the determination of applicable price for the issue of Equity Shares shall be 23rd August, 2011 i.e. 30 days prior to the last date of receiving the Postal Ballot paper by the Scrutiniser.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modifications in the proposal as may be required by the agencies involved in such issues but subject to such conditions as the Reserve Bank of India (RBI) / Securities and Exchange Board of India (SEBI) and/ or such other appropriate authority may impose at the time of their approval as agreed by the Board."

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to delegate any or all the powers conferred upon it by this resolution, to any Committee formed thereof for the powers conferred upon it by this resolution, to any individual so authorized by the Board.

RESOLVED FURTHER THAT for the purpose of creating, issuing, offering and allotting Equity Shares of the Company as aforesaid, the Company be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respects and in particular, to settle any questions, difficulties or doubts that may arise with regard to the offering, issuing, allotting and utilizing the issue proceeds of the Equity Shares of the Company, as it may in its absolute discretion, deem fit and proper."

6. TO CREATE CHARGE/ HYPOTHECATE/ MORTGAGE PROPERTY OF THE COMPANY:

To Consider and if thought fit, to give assent/dissent to the following resolution as **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 and subject to the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the Board and which term shall be deemed to include any Committee, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to create and/or charge and/ or hypothecate in addition to other mortgages/charges/hypothecation created by the Company as the Board may direct from time to time, on all or any of

moveable and/or immovable properties and assets of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with power to take over the management of business and concern of the Company in certain events of default in favour of the Financial Institutions/Banks/Trusts/Mutual Funds and other lenders for securing the loans/finance sanctioned to the Company, securities such as fully/partly convertible debentures and/or other non-convertible debentures or other debt instrument(s) issued by the Company together with interest, additional interest, liquidated damages, commitment charges, remuneration of the Trustee, premium (if any) on redemption, all other costs, charges and expenses payable by the Company in terms of the loan agreement, trust deed and all such agreements/documents as may have been executed between the parties, subject, however to the total outstanding amount at anytime so secured not exceeding the amount consented by the Company by the Resolution passed by virtue of Postal Ballot pursuant to Section 293(1)(d) of the Companies Act, 1956 or upto the higher amount/s as may be so consented by the Company from time to time in future.

RESOLVED FURTHER THAT the Board be and is hereby authorized to and cause to prepare, finalize, approve and execute on behalf of the Company with the Lenders, the documents, deeds, agreements, declarations, undertakings and writings as may be necessary and/or expedient for giving effect to the foregoing resolution and to vary and /or alter the terms and conditions of the security created/to be created as aforesaid in consultation with the lender's trustees and other mortgagees as they may deem fit;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the above powers to the Committee of Directors or any one or more of its Directors of the Company and generally to do all the acts, deeds matters and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

7. INCREASE IN THE BORROWING POWERS OF THE COMPANY

To Consider and if though fit, to give assent/dissent to the following resolution as **Ordinary Resolution**:

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors pursuant to Section 293[1] [d] of the Companies Act, 1956 to borrow monies from time to time, either by way of rupee loans or by way of foreign currency loans or by way of issue of debentures or by issue of any other instruments and either from Company's Bankers or from any other Bank/Financial Institution or from any other Lending Institution or Bodies Corporate or other persons, on such terms and conditions and covenants stipulated and as may be considered appropriate by the Board of Directors, notwithstanding that the monies to be borrowed will or may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose, so that the total amount upto which such monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed by more than **Rs. 50,00,00,000/- (Rupees Fifty Crores only)** over and above the aggregate of the paid up capital and free reserves of the Company for the time being, exclusive of interest and other charges.

"RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board of Directors of the Company be and is hereby authorized to finalize, settle and execute all documents/deeds/agreements as may be required to take all necessary steps and to do all acts, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard to creating the aforesaid mortgages/charges or otherwise considered by the Board of Directors to be in the best interest of the Company."

By order of the Board of Directors

Sd/-

Sd/ -

Place: Kolhapur

Nitten Ramswarup Jaju
Director

Jagdish Chandra Gadia
Director

Date: 12th August, 2011

NOTE:

1. The relative Explanatory Statement pursuant to Sections 173(2) and 192A (2) of the Companies Act, 1956 setting out material facts is annexed hereto.
2. The Board of Directors at its meeting held on 12th August, 2011 has appointed Mr. Deependra Shukla, Proprietor of M/ s. Deep Shukla & Associates., Practising Company Secretary as the Scrutinizer for conducting the Postal Ballot Voting process in a fair and transparent manner and to receive and scrutinize the completed Ballot Papers from the Members.
3. The Postal Ballot Form and the self addressed business reply envelope are enclosed for use of the Members.
4. The Scrutinizer will be in a position for all the days from the date of notice and will submit his final report to Chairman on Friday, September 23, 2011.
5. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed with the assent (for) or dissent (against), in the attached pre-paid envelope, so as to reach the scrutinizer on or before Thursday, September 22, 2011 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.
6. The Scrutinizer will submit his report to the Chairman of the Company after completion of the scrutiny and the results of postal ballot will be announced on Friday, September 23, 2011, at the Registered Office of the Company at 1039, E

Rajaram Road, Kolhapur- 416 001, Maharashtra and will also be published in the newspapers. In the event of the draft resolution is assented to by requisite majority of Members by means of postal ballot, the last date of receiving of Postal Ballot Papers by the scrutinizer shall be deemed to be the date of passing of the said resolution.

7. All documents referred to in the accompanying Notice and Explanatory Statement is open for inspection at the Registered Office of the Company during the office hours on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. up to September 22, 2011 i.e. Last date of receipt of Postal Ballot forms.
8. The Scrutinizer's decision on the validity of Postal ballot shall be final.

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF THE MEETING PURSUANT TO SECTION 173 (2) AND 192A OF THE COMPANIES ACT, 1956:

Item No. 1 and 2:

To meet the long term working capital needs of the Company it is proposed by the Board to induce additional funds by way of increasing the Share Capital. Your Board at its meeting held on August 12, 2011, subject to the approval of the shareholders, and receipt of such other statutory/regulatory approvals, as may be required, has proposed to increase the Authorized Share Capital of the Company to that extent, due to which, the existing Capital Clause no. V of the Memorandum of Association of the company needs to be altered.

The Proposed resolution under this item No. 1 & 2 seeks to obtain Members' approval to alter Capital Clause as mentioned above in the Memorandum of Association of the Company. Pursuant to section 16 of the Companies Act, 1956 if the Memorandum is to be altered, an Ordinary Resolution is required to be passed by the Members of the Company.

Your Board of Directors recommends the Ordinary Resolution for your approval as set out under item No. 1 & 2 of the Postal Ballot Notice.

A Copy of the Memorandum of Association of the Company with the proposed amendment will be available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days except Saturday up to September 22, 2011.

None of your Directors are interested in the above resolutions except to the extent of their shareholding in the Company.

Item No. 3:

Your Board at its meeting held on August 12, 2011, has proposed to increase the Authorized Share Capital of the Company, due to which, the existing Clause 4 of the Articles of Association of the Company needs to be altered.

The Proposed resolution under this item No. 3 seeks to obtain Members' approval to alter Clause 4 in the Articles of Association of the Company. Pursuant to section 31 of the Companies Act, 1956 if the Articles are to be altered, a Special Resolution is required to be passed by the Members of the Company.

Your Board of Directors recommends the Special Resolution for your approval as set out under item No. 3 of the Postal Ballot Notice.

A Copy of the Articles of Association of the Company with the proposed amendment will be available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days except Saturday up to September 22, 2011.

None of your Directors are interested in the above resolutions except to the extent of their shareholding in the Company.

Item No. 4:

In line with substantial expansion of the operations of the Company, the Objects Clause of the Memorandum of Association is amended to specifically align with the Company's current business operations. The Board of Directors of your Company proposes to undertake business activities in the field of Textile and Ferrous & Non Ferrous Metals and related areas. Hence, suitable amendments are being made to the Object Clause of the Memorandum of Association.

The Board has decided to replace the sub-clause 33 of Clause III C of the Memorandum of Association with new sub-clause 3 of Clause III A of Memorandum of Association. In accordance with the provisions of Section 192A of the Act, read with The Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 such alteration in the Memorandum of Association of the Company requires approval of the shareholders through postal ballot. Hence the resolutions at item no. 4 of the accompanying notice, is circulated herewith for the approval of the Members.

Your Directors recommend both the aforesaid resolutions for your approval.

None of the Directors of the Company are interested in the aforesaid resolutions either directly or indirectly.

A copy of the Memorandum and Articles of Association of the Company along with the proposed alteration as aforesaid is available for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days except Saturday up to September 22, 2011.

Item No. 5:

The Board, in order to support the growth plans of the company and to consolidate its businesses, is considering / reviewing various options including its business operations which would be beneficial in the interest of the Company and its shareholders.

The current business activity of the Company is trading and dealing in textile, ferrous & non-ferrous metal products as well as metal scraps. It is intended to raise funds for expansion of business, for meeting long term and short term working capital requirements of the Company for growth, capital expenditure and for general corporate purpose of the Company.

The Shares to be issued and allotted shall be subject to the Memorandum and Articles of Association of the Company and the terms of issue. The Equity Shares referred to above shall rank *pari passu* with all the existing Shares of the Company in all respects including as to dividend.

Pursuant to Section 81 (1A) of the said Act the further Equity Shares may be offered by the Company to such persons in the manner whatsoever, if a special resolution to that effect is passed by the Company in the General Meeting.

The proposed Special Resolution is designed to comply with the requirements of Section 81 (1A) of the Act in the context of issue.

Accordingly, the consent of the shareholders is being sought pursuant to the provisions of Section 81 (1A) and other applicable provisions of the Act, Chapter VII of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 and in terms of the provisions of the Listing Agreement to issue and allot Equity Shares as stated in the Special Resolution and on the following terms as stated here in below:

I. The object of the issue through preferential offer:

As mentioned above, it is intended to raise funds for expansion of business, capital expenditure, for Long Term and Short Term Working Capital Requirement of the company, to strengthen the equity base of the Company and to meet expenditure for general corporate purpose.

II. Intention of the Promoters/Directors/Key management persons to subscribe to the offer:

The Promoters/Directors/ Key Management of the Company are not intended to subscribe to the offer being proposed under special resolution of the Notice for shareholders' approval though Postal Ballot Notice

III. Shareholding pattern before and after the Preferential Allotment:

Shareholding pattern before and immediately upon the allotment of 29,53,500 Equity Shares pursuant to the offer.

Shareholding Pattern (Number of Shares):

Sr. No.	Shareholder Category Particulars	Shareholding Pattern prior to the Allotment of Equity Shares		Shareholding Pattern post proposed Allotment of Equity Shares	
		No. of Shares	%age	No. of Shares	%age
1.	Promoters	14,62,555	48.01	14,62,555	24.38
2.	Non- Promoters (Others)	15,83,945	51.99	45,37,445	75.62
	Total	30,46,500	100.00	60,00,000	100.00

IV. Proposed time within which the allotment shall be completed:

The allotment of Equity Shares are proposed to be completed within a maximum period of 15 days from the date of passing of this resolution, provided that when the allotment on preferential basis is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within 15 days from the date of receipt of such approval.

V. Auditor Certificate:

The price at which the Equity Shares would be issued by the Company to Other Investors cannot be exactly determined before issue of this notice to the shareholders as it depends on the average of the market prices prevailing in the preceding 2 weeks or 26 weeks as per the SEBI regulation. Hence, the Auditors' Certificate required under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 will be made available for inspection at the Registered Office of the Company during the office hours on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. up to September 22, 2011 i.e. the last date receiving Postal Ballot Papers. The Auditors Certificate will also be sent to the Bombay Stock Exchange Limited (BSE) for general shareholders information.

VI. Lock-in:

The Equity Shares allotted on preferential basis shall be locked in from the date of their allotment for such periods as prescribed in Regulation 78 of SEBI (ICDR) Regulations, 2009.

VII. Change in Management:

The proposed preferential allotment of Equity Shares will not result in any change in the management and control of the Company. Voting right shall change according to the change in shareholding pattern mentioned above.

VIII. Pricing

The pricing of Equity shares allotted on preferential basis to Other Investors shall not be lower than the price determined in accordance with the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009.

Currently SEBI (ICDR) Regulations, 2009 provides that the issue of shares on preferential basis can be made at a price not less than the higher of the following:

- * The average of the weekly high and low of the closing prices of the related Equity Shares quoted on the recognized stock exchange during the six months preceding the relevant date; or
- * The average of the weekly high and low of the closing prices of the related Equity Shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.

The relevant date for the purpose of pricing of the Equity Shares shall be 23rd August, 2011 being the date which is 30 days prior to the last date of receiving of postal ballot papers by the scrutinizer which is deemed to be the date of the passing the resolution in accordance with Section 192A of the Companies Act, 1956 read with relevant rules there under.

“Stock Exchange” for this purpose mean Bombay Stock Exchange Limited on which the trading volume in respect of the shares of the Company has been recorded during the preceding six months prior to the Relevant Date.

IX. Identity of the proposed allottees and the percentage of post preferential issue capital that may be held by it:

Identity	Pre Preferential Issue		Post Preferential Issue	
	Proposed Allottees	No. of shares	%age	No. of shares
Non Promoters				
M/s. Divya Ply Agency Private Limited	NIL	N.A.	2,00,000	3.33
Manish Bohra	NIL	N.A.	1,00,000	1.67
Amar Chand Jain	NIL	N.A.	1,10,000	1.83
Ashaben Lalit Kumar Shah	NIL	N.A.	1,00,000	1.67
Lalit Z. Shah	NIL	N.A.	1,00,000	1.67
Sanjay Bajranglal Hurkat	NIL	N.A.	50,000	0.83
Sunil Bajranglal Hurkat	NIL	N.A.	50,000	0.83
Inder Chand Jain	NIL	N.A.	1,45,000	2.42
Leena Inder Jain	NIL	N.A.	1,45,000	2.42
Pankaj Dahyalal Shah	NIL	N.A.	1,00,000	1.67
Daxesh Dahyalal Shah	NIL	N.A.	1,00,000	1.67
Sapna Lalit Kumar Shah	NIL	N.A.	80,000	1.33
Rander Corporation Limited	NIL	N.A.	1,00,000	1.67
Rajendrakumar Bansilal Chechani	NIL	N.A.	23,500	0.39
Shavaji Ramling Sakhre	NIL	N.A.	1,00,000	1.67
Satish Devidas Paithankar	NIL	N.A.	1,00,000	1.67
Amarchand Rander	NIL	N.A.	50,000	0.83
Dinesh Kumar Rander	NIL	N.A.	50,000	0.83
Ashok Khandelwal	NIL	N.A.	1,00,000	1.67
Rekha Khandelwal	NIL	N.A.	1,00,000	1.67
Dinesh Sarode	NIL	N.A.	95,000	1.58
Dinesh Sarode- HUF	NIL	N.A.	95,000	1.58
Sakshi Dinesh Sarode	NIL	N.A.	1,00,000	1.67
Girish Shrichand Jain	NIL	N.A.	1,00,000	1.67
Ashok S. Mali	NIL	N.A.	50,000	0.83
Ashok Mali- HUF	NIL	N.A.	50,000	0.83
Chatterlal Jankilal Asawa	NIL	N.A.	65,000	1.08
Sarita Chatterlal Asawa	NIL	N.A.	65,000	1.08
Dineshchandra Ratanlal Samdani	NIL	N.A.	30,000	0.50

Ramkanhaiyaben Ratanlal Shah	NIL	N.A.	35,000	0.58
Vinod Ratanlal Samdani	NIL	N.A.	30,000	0.50
Mukesh Ratanlal Samdani	NIL	N.A.	35,000	0.58
Yogeshkumar Ratanlal Samdani	NIL	N.A.	35,000	0.58
Lalita Dinesh Samdani	NIL	N.A.	35,000	0.58
Vimalchand Pooran Chand Jain	NIL	N.A.	65,000	1.08
Ankit Gupta	NIL	N.A.	65,000	1.08
Satyanarayan Sunderlal Shah	NIL	N.A.	50,000	0.83
Shantaben Sunderlal Shah	NIL	N.A.	50,000	0.83

Assumptions:

(1) All the shares, as are offered to the proposed allottees, are fully subscribed to and allotted to them.

X. The Company hereby undertake that-

- (a) It would re-compute the price of the specified securities i.e. Equity Shares proposed to be issued on preferential allotment basis in terms of the provisions of the SEBI (ICDR), Regulations 2009 where it is required to do so;
- (b) If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations 2009, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

XI. Interest of Promoter/Directors:

None of the Directors or Promoters of the Company are in anyway, directly or indirectly concerned or interested in the above resolution.

The members are, therefore, requested to accord their approval authorizing the Board to go for the proposed private placement and/or preferential issue as set out in the special resolution.

The Board of Directors recommends the said resolutions for your approval.

Item No. 6:

To fulfill its financial requirements the company has to avail finance from Financial Institutions/Banks/Trusts/Mutual Funds and such other external sources. These financial arrangements require the company to create charge on the moveable and immovable properties and assets of the company by hypothecation and/or creation of mortgage on moveable and immovable properties and assets of the company in the favour of Financial Institutions/Banks/Trusts/Mutual Funds and other lenders.

Section 293(1) (a) of the Companies Act, 1956 requires the consent of the Members for authorizing the Board of Directors to create and/or charge and/or hypothecate all or any of moveable and immovable properties and assets of the company.

Accordingly, the Board recommends the Resolution at Item No. 6 for granting the said powers to the Board of Directors of the Company.

None of the Directors of the Company is concerned or interested in the said resolution.

Item No. 7:

Section 293[1][d] of the Companies Act, 1956 requires the consent of the Shareholders through postal ballot for authorizing the Board of Directors to borrow money from time to time, for the purposes of the Company, where money to be borrowed will exceed the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes.

Keeping in view the capital expenditure requirements and growth plan of the Company, the existing borrowing limits needs to be enhanced to pursue the growth plans. Therefore approval of the members is sought enabling the Board of Directors to borrow such monies so that the total amount up to which the Board of Directors may borrow and outstanding at any time shall not exceed by more than **Rs. 50,00,00,000/- (Rupees Fifty Crores)** over and above the aggregate of the paid up capital and free reserves of the Company for the time being, exclusive of interest and other charges.

The Board of Directors recommends the Resolution at Item No 7 for the approval of the Members.

None of the Board of Directors is interested in the above Resolution.

By order of the Board of Directors

Sd/ -

Nitten Ramswarup Jaju

Director

Sd/-

Jagdish Chandra Gadia

Director

Place: Kolhapur

Date: 12th August, 2011

ATHARV ENTERPRISES LTD

Regd. Off.: 1039, E, Rajaram Road, Kolhapur 416 008

ATTENDANCE SLIP

PLEASE FILL IN THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE
OF THE MEETING HALL

Joint shareholders may obtain Additional Attendance slip on request

NAME AND ADDRESS OF THE SHAREHOLDER

Master Folio No.

No. of Shares held :

I hereby record my presence at the TWENTY FIRST ANNUAL GENERAL MEETING of the Company held on Friday, the 30th September, 2011 at 11.00 a.m. at 1039, E, Rajaram Road, Kolhapur 416 008

SIGNATURE OF THE SHAREHOLDER / PROXY*

*Strike out whichever is not applicable



ATHARV ENTERPRISES LTD

Regd. Off.: 1039, E, Rajaram Road, Kolhapur 416 008

PROXY

Master Folio No.

I / We _____ of _____ being a member /
members of Atharv Enterprises Ltd. hereby appoint Mr. / Mrs. / Miss. _____
or failing him / her _____ of _____ as
my / our proxy to attend and vote for me / us and on my / our behalf at the Twentieth Annual General
Meeting to be held on Friday, the 30th September, 2011 at 11.00 a.m. and at any Adjournment thereof.



Signed this _____ day of _____

Affix on
Rupee
Revenue
Stamp

Signature of the Shareholder

Note : The Proxy must be returned so as to reach the registered office of the Company not less than forty eight hours before the time of holding the aforesaid meeting. The Proxy need not be a member of the Company.