

ARTHEON FINANCE LIMITED

BOARD OF DIRECTORS.

MR. S.K. JIWARAJKA	--- DIRECTOR
MR. M.L. TULSYAN	--- DIRECTOR
MR. TUSHAR JIWARAJKA	--- DIRECTOR
MR. DEBA PRASAD ROY	--- DIRECTOR

AUDITORS

M/S. V.PAREKH & ASSOCIATES

BANKERS

CANARA BANK

REGISTERED OFFICE

201, SUMER KENDRA,
PANDURANG BUDHKAR MARG,
WORLI, MUMBAI -400018

DIRECTORS' REPORT TO THE MEMBERS -

Your Directors have pleasure in presenting the 26th Annual Report together with the Audited Accounts for the financial year ended 31st March 2010

Financial Results

The financial results of the Company for the year ended March 31, 2010 are summarized below:

	Current year 2009-2010 (Rs. in Lacs)	Previous Year 2008-2009 (Rs. in Lacs)
Income from operations and other income	57.55	20.44
Profit before Depreciation & Tax	26.51	(50.28)
Less: Depreciation	6.58	6.67
Profit/ (Loss) before Tax	19.92	(56.95)
Less: Provision for Taxation & Deferred Tax	2.85	1.27
Net Profit/ (Loss) after Tax	17.07	(58.22)
Add: Balance brought forward from last year	299.37	357.59
Amount available for Appropriation	316.44	299.37
Less: Transfer to General Reserve	----	----
Balance carried to Balance Sheet	316.44	299.37

Economic Scenario

The year 2009-2010 witnessed one of the worst crisis of confidence in the global financial sector. The availability of international credit was a concern as doubts of sovereign defaults were being constantly raised in the market place. To counter the crisis, US and EU took proactive measures by introducing massive liquidity into the system besides guaranteeing smooth transition to near normalcy. Although, the worst seemed to be behind us, there is no tangible proof of job creation in the global economy. The economic data emerging from the developed economies are confusing with jobless recovery & lower consumer spending.

As the global economy was reeling under severe financial strain with de-growth, our economy remained resilient attracting foreign capital. It was mainly on account of Government's initiative of providing fiscal stimulus in two stages viz. across the board reduction in indirect taxes & stepping up infrastructure spending. The Central Bank also did its bit by pursuing a relaxed monetary policy making available credit at lower interest rates propping up domestic demand. The cumulative action resulted in economy posting a GDP growth of 7.40% in the backdrop of gloomy global economic scenario. The growth achieved is commendable considering the fact that monsoons during the year failed impacting Kharif crop. Inflation, especially food inflation continued to remained high, a worry for Central Bank and the Government.

The year also witnessed Rupee appreciating against the greenback from a level of over Rs 50/- in March 2009 to a level of Rs 44.90/- in March 2010. The appreciation in rupee gave a rude shock for our export sector which under performed badly during the period.

Review of Operations

With uncertainties looming large, your Company reorganized its operations to concentrate more on fee based income. Income for the year ended 31st March 2010 was Rs 57.55 lacs as against the previous year's Rs 20.44 lacs, registering a growth of 182%. A profit after tax of Rs 17.07 lacs was achieved during the period under review as against a loss of Rs 58.82 lacs in the previous year.

Dividend

As the profits are meager, your Company intends to retain the profits for furtherance of business. No dividend is declared for the period under review.

Deposits

The Company has not accepted any deposits from the public or otherwise as on 31st March 2010.

Directors

Mr. M. L. Tulsyan, Director of the Company would retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Directors Responsibility Statement

The Directors confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that 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 or loss of the Company for that year;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the Directors have prepared the annual accounts on a going concern basis.

Particulars under Section 217(1)(e) of the Companies Act, 1956.

Information in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption etc. is not given in view of the activities of the Company.

During the year, the foreign exchange earnings were Rs. NIL and outgo was Rs. NIL

Particulars of Employees

The Company does not have any employees whose particulars are required to be given under the provision of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975.

Compliance Certificate

A Compliance Certificate from a secretary in whole-time practice under section 383A of the Companies Act, 1956 in respect of the financial year ended on March 31, 2010 is attached hereto.

Listing

The equity shares of the company are listed on the Bombay Stock Exchange Limited. The Company has paid the Annual Listing fees to the Stock Exchange for the year 2010-2011.

Auditors

M/s V. Parekh & Associates, Chartered Accountants, Mumbai would retire at the ensuing Annual General Meeting and they are eligible for re-appointment.

You are requested to appoint Auditors and to fix their remuneration.

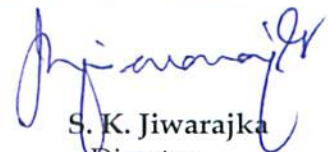
Acknowledgement

Your Directors convey their gratitude to the Company's valued Clients, Bankers and Shareholders for their continued support. The Directors also record their appreciation of the Company's employees at all levels for their dedication, commitment and hard work.

For and on behalf of the Board of Directors



Tushar Jiwarajka
Director



S. K. Jiwarajka
Director

Place: Mumbai

Date: September 6, 2010.

AUDITORS' REPORT

TO,
THE MEMBERS OF
ARTHEON FINANCE LIMITED,
MUMBAI.

We have audited the attached Balance Sheet of “**Artheon Finance Limited**” as at 31st March 2010 and also the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company’s Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matter specified in Paragraph 4 and 5 of the said order:
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report that :
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of the books.
 - c. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the Books of Accounts.
 - d. In our opinion, the attached Balance Sheet and Profit & Loss Account and the cash flow Statement dealt with by this report complying with the Accounting Standards referred in Sub-section 3(c) of Section 211 of the Companies Act, 1956.
 - e. On the basis of the written representations received from the Directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f. In our opinion and to the best of our information and according to the explanations given to us the said Accounts read together with the notes thereon subject to Note 1(III) (ii) regarding non-provision of gratuity give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.



ARTHEON FINANCE LIMITED (2009-10)

- i) In the case of Balance Sheet, of the state of the affairs of the Company as at 31st March, 2010 and
- ii) In the case of the Profit & Loss Account of the Profit of the Company for the year ended on that date.
- iii) In the case of the cash Flow Statement of the Cash Flow for the year ended or that date.

MUMBAI,
DATED :6TH SEPTEMBER, 2010



FOR AND ON BEHALF OF
V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS

Rasesh V. Parekh

RASESH V. PAREKH PARTNER
MEMBERSHIP NO. 38615
FIRM REG. NO.107488W

V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS

37, HAMAM STREET, 2nd FLOOR, FORT, MUMBAI - 400 001. ☎ : 2265 02 64 ● 2265 35 55 ● 2266 62 19 FAX : 2265 43 70 E-Mail : mail@vparekh.com

ARTHEON FINANCE LIMITED
ACCOUNTING YEAR ENDED 31ST MARCH, 2010

ANNEXURE TO THE AUDITORS REPORT :
REFERED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE:

- 1) a) The Company has maintained proper records showing full particulars including quantitative details and situations of the Fixed Assets.
b) These assets have been physically verified by the management at reasonable intervals, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets According to the information and explanations given to us, no material discrepancies were noticed on such verification.
c) As per records of the Company and as explained to us, the Company has not disposed off any substantial or major portion of fixed assets. However during the current year, the company has discarded some fixed assets.
- 2) According to the information and explanation given to us, and having regard to the Company's Business the question of reporting on Clause 4 (ii)(a), 4(b) and 4(ii)(c)(relating to inventory) of the Companies (Auditor's Report) order 2003 as Amended by Companies (Auditor's Report) (Amendment) order 2004 (herein after referred to as the said order) does not arise.
- 3) a) As per information and explanation given to us, the company has not granted unsecured loan to the company covered in the register maintained under section 301 of the Companies Act, 1956.
b) As the company has not granted any unsecured loan, as mentioned above, the direction of prejudicial to the company does not arise.
c) In view of our comments in para3 (a) and (b) above, reporting on clause 4(iii) (c) and 4(iii) (d) of the said order does not arise.
d) According to the information and explanation given to us, the company has not taken any loans Secured or Unsecured from Companies firm or other parties covered in the register maintained under section 301 of the Act.
e) In view of the forgoing the question of reporting on clauses 4(iii)(f) and 4(iii)(9) of the said order does not arises.
- 4) In our opinion and according to the information and explanation given to us, there is an adequate internal control procedure commensurate with the Company and nature of its business for the purchases and sale of Shares and securities, fixed assets and for the sale of services.



ARTHEON FINANCE LIMITED (2009-10)

- 5) In our opinion and according to the information and explanations given to us, the company has not entered into any contract, arrangements or transaction aggregating during the year to Rs.5,00,000/- (Rs. Five Lakhs Only) or more in respect of each party being company, firm or other parties listed in the register maintained under section 301 of the Companies Act 1956, other than the subsidiary company as referred in Para 3(a) above.
- 6) The Company has not accepted any deposits from the public during the year to which the directive issued by the Reserve Bank Of India and provision of section 58A and Section 58AA and the rules framed there under are applicable.
- 7) In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
- 8) The Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act 1956 in respect of services and other activities carried out by the Company. Accordingly, clause 4(iii) of the Order is not applicable.
- 9)
 - a) According to the records of the Company, the company is regular in depositing undisputed statutory dues including Provident fund, Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty and any company is regular in depositing undisputed statutory dues including Income-tax and any other statutory dues applicable to it, with the appropriate authorities during the year.
 - b) According to the records of the Company, there is no disputed amount payable on account of Sales Tax, Income Tax, Custom Duty, Wealth Tax or Excise duty outstanding at the end of the financial year except demand raised by income tax department of Rs.750795/- for the assessment year 2005-06 for which company preferred an appeal before commissioner of income tax and same is pending.
- 10) As at the end of the financial year, the Company does not have accumulated losses, which are less than fifty percent of its net worth. It has not incurred cash losses during the financial year or in the immediately preceding financial year.
- 11) The company has neither taken any loans from financial institution and bank or issued any debentures, Accordingly, clause 4(xi) of the order is not applicable.
- 12) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and/ or other security. Accordingly, clause 4(xi) of the order is not applicable.
- 13) The company is not a chit fund, Nidhi, Mutual benefit Fund or a Society. Accordingly, clause 4(xi) of the order is not applicable.
- 14) As per information and explanation given to us and records produced before us the Company has maintained proper records of transaction and contract in respect of trading in shares Debentures and other securities and that timely entries have been made and those shares and securities are held by the company in its own name.



ARTHEON FINANCE LIMITED (2009-10)

- 15) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank of financial institution during the year.
- 16) The Company has not raised any terms loans during the year.
- 17) As per records maintained and information given to us, the company has not raised funds either on short term or long-term basis during the year.
- 18) As informed to us, the company has not made any preferential allotment of shares during the year.
- 19) The Company has not issued any debenture during the year.
- 20) The company has not raised any money by public issues during the year.
- 21) According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

MUMBAI,
DATED : 6TH SEPTEMBER, 2010



FOR AND ON BEHALF OF
V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS

Rasesh V. Parekh

RASESH V. PAREKH PARTNER
MEMBERSHIP NO. 38615
FIRM REG. NO.107488W

ARTHEON FINANCE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2010

	SCHEDULE	RUPEES	AS AT 31.3.2010	AS AT 31.3.2009
SOURCES OF FUNDS				
SHAREHOLDERS' FUND				
a) Capital	A	14,000,000		14,000,000
b) Reserves & Surplus	B	51,643,961		49,936,904
Total Shareholders Funds			65,643,961	63,936,904
LOAN FUNDS				
a) Secured Loans		-		-
b) Unsecured Loans	C	370,460	370,460	1,759,193
TOTAL			66,014,421	65,696,097
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block	D	7,554,490		7,554,490
Less : Depreciation		2,948,508		2,290,168
Net Block			4,605,982	5,264,322
INVESTMENTS				
	E		54,099,774	57,152,700
CURRENT ASSETS, LOANS & ADVANCES				
a) Cash & Bank Balances	F	3,966,832		71,747
b) Loans & Advances	G	7,400,953		7,002,078
		11,367,784		7,073,825
Less : Current Liabilities and Provisions	H	4,059,120		3,794,750
Net Current Assets			7,308,665	3,279,075
Deferred Tax Asset / (Liability) (See Note No.8)				
TOTAL			66,014,421	65,696,097
NOTES ON ACCOUNTS				
	M			

AS PER OUR REPORT OF EVEN DATE
FOR AND ON BEHALF OF
V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS

Rasesh V. Parekh

RASESH V. PAREKH PARTNER
MEMBERSHIP NO. 38615
FIRM REG. NO.107488W
MUMBAI,
DATED : 6TH SEPTEMBER,2010



FOR ARTHEON FINANCE LIMITED

T. J. Wanjib

DIRECTOR

MUMBAI,

DATED : 6TH SEPTEMBER,2010

P. J. Wanjib

DIRECTOR

ARTHEON FINANCE LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	SCHEDULE	AS AT 31.3.2010	AS AT 31.3.2009
INCOME			
Professional Fees	I	4,950,447	1,789,596
Other Income		804,324	254,365
TOTAL INCOME		5,754,771	2,043,961
EXPENDITURE			
Administrative Expenses and Other Expenses	J	1,456,071	3,810,848
Payment & Provision to Employees	K	1,528,804	3,022,254
Interest	L	119,091	239,469
Depreciation	D	658,340	666,530
TOTAL EXPENDITURE		3,762,306	7,739,101
Profit/(Loss) for the year before tax		1,992,465	(5,695,139)
Less : Provision for Taxation :			
For Income Tax		285,408	-
For Fringe Benefit Tax		-	140,000
For Deferred Tax (See notes No. 8)		-	-
For Excess Provision Tax of earlier year		-	(12,994)
Profit/(Loss) after tax		1,707,057	(5,822,145)
Balance brought forward		29,936,904	35,759,049
Balance carried to Balance Sheet		31,643,961	29,936,904
Earning per share :			
Profit available to shareholders		1,707,057	(5,822,145)
No. of equity shares outstanding of Rs. 10/- each		1,400,000.00	1,400,000.00
Profit per share		1.22	(4.16)
Notes on Accounts	M		

AS PER OUR REPORT OF EVEN DATE
FOR AND ON BEHALF OF
V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS

Rasesh V. Parekh

RASESH V. PAREKH PARTNER
MEMBERSHIP NO. 38615
FIRM REG. NO.107488W
MUMBAI,
DATED : 6TH SEPTEMBER,2010



FOR ARTHEON FINANCE LIMITED

T. J. Marathe

DIRECTOR

MUMBAI,

DATED : 6TH SEPTEMBER,2010

P. J. Marathe

DIRECTOR

ARTHEON FINANCE LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

	AS AT 31.3.2010	AS AT 31.3.2009
SCHEDULE : A : SHARE CAPITAL		
AUTHORISED		
5,000,000 Equity Shares of Rs. 10/- each	50,000,000	50,000,000
400,000 Redeemable Preference Shares of Rs. 100/- each	40,000,000	40,000,000
	90,000,000	90,000,000
ISSUED, SUBSCRIBED & PAID UP :		
1,400,000 Equity Shares of Rs. 10/- each fully paid up. (of the above 1,000,000 Equity Shares were allotted as fully paid Bonus Shares by way of capitalisation of General Reserves)	14,000,000	14,000,000
	14,000,000	14,000,000
SCHEDULE : B : RESERVES & SURPLUS		
GENERAL RESERVE		
Balance as per last Balance Sheet	20,000,000	20,000,000
Balance of Profit & Loss Account	31,643,961	29,936,904
	51,643,961	49,936,904
SCHEDULE : C : UNSECURED LOANS		
HDFC Bank Limited - Car Loan	370,460	1,759,193
	370,460	1,759,193
SCHEDULE : F : CASH & BANK BALANCES		
Cash on Hand	23,810	13,285
Balance with Scheduled Banks in Current Account	3,943,022	58,462
	3,966,832	71,747
SCHEDULE : G : LOANS & ADVANCES		
(Unsecured Considered Good)		
Loan to Others	1,762,842	1,762,842
Advances Recoverable in Cash or Kind or for value to be received	1,276,674	1,404,250
Advance payment of Taxes	4,299,573	3,773,122
Deposits	61,864	61,864
	7,400,953	7,002,078



ARTHEON FINANCE LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

SCHEDULE :D : FIXED ASSETS

SR. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS ON	ADDITION	DEDUCTION	AS ON	UPTO	FOR THE	UPTO	AS ON	AS ON	
		01.04.2009			31.03.2010	01.04.2009	YEAR	ADJUSTMENT	31.03.2010	31.03.2010	31.03.2009
	LEASED ASSETS										
1	PLANT & MACHINERY	280,000		-	280,000	266,856	13,144	-	280,000	-	13,144
	OTHER ASSETS										
2	FURNITURE & FIXTURES	108,464		-	108,464	90,306	7,308	-	97,614	10,850	18,158
3	OFFICE EQUIPMENTS	1,513,549		-	1,513,549	626,928	75,712	-	702,640	810,909	886,621
4	COMPUTERS	355,383		-	355,383	141,858	58,952	-	200,810	154,573	213,525
5	VEHICLES	5,297,094		-	5,297,094	1,164,220	503,224	-	1,667,444	3,629,650	4,132,874
	TOTAL	7,554,490	-	-	7,554,490	2,290,168	658,340	-	2,948,508	4,605,982	5,264,322
	PREVIOUS YEAR	7,554,490	-	-	7,554,490	1,623,638	666,530	-	2,290,168	5,264,322	5,930,852



ARTHEON FINANCE LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

	AS AT 31.3.2010	AS AT 31.3.2009
SCHEDULE : H : CURRENT LIABILITIES & PROVISIONS		
Provision for Taxation	1,826,516	1,546,392
Provision for Fringe Benefit Tax	492,300	492,300
Sundry Creditors	1,740,303	1,756,058
	4,059,120	3,794,750
SCHEDULE : I : OTHER INCOME		
Discounting Charges	-	53,318
Brokerage	20,203	45,358
Dividend- Equity Shares	145,161	211,650
Profit on sale of Shares (Long Term)	437,575	(62,660)
Profit / Loss on Derivatives (F&O)	201,385	-
Interest	-	6,699
	804,324	254,365
SCHEDULE : J : ADMINISTRATIVE EXPENSES & OTHER EXPENSES		
Advertisement & Business Promotion Expenses	78,906	355,896
Payment to Auditors:		
Audit Fees	33,090	33,090
Tax Audit Fees	16,545	16,545
Bank Charges	1,527	11,575
Depository Participant Charges	4,617	20,284
Filing & Registration Fees	620	2,000
Insurance Premium	5,233	27,526
Listing Fees	11,030	18,000
Membership & Subscription Charges	33,108	1,117
Postage, Courier & Telephone Expenses	103,665	411,110
Printing & Stationery	2,992	46,443
Professional & Legal Fees :	666,238	1,008,228
Miscellaneous Expenses	273,374	391,103
Vehicle Expenses	188,312	405,984
Repairs & Maintenance & Upgradation	17,774	116,597
Profession Tax	7,500	12,500
Share Transaction, Service Tax & Stamp Charges	4,376	95,230
Travelling & Conveyance	7,163	419,899
Foreign Traveling Expenses	-	391,596
Investments written off		26,124
	1,456,071	3,810,848



ARTHEON FINANCE LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

	AS AT 31.3.2010	AS AT 31.3.2009
SCHEDULE : K : PAYMENTS AND PROVISIONS TO EMPLOYEES		
Salaries & Allowances	1,341,454	2,822,246
Staff Welfare	88,926	41,139
Contribution to ESIC, PF, Other Funds	98,424	158,869
	1,528,804	3,022,254
SCHEDULE : L : INTEREST		
Other interest	119,091	239,469
	119,091	239,469



ARTHEON FINANCE LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

SCHEDULES "E" INVESTMENT

Face Value per Share	Name of the Company	As At march 31,2010		As At march 31,2009	
		No. of Shares	Amount (In Rs.)	No. of Shares	Amount (In Rs.)
Quoted - Equity Shares Fully Paid Up					
10	Venus Remedies Limited	20052	8852458	20052	8852458
10	Asian Electronics limited	47000	9060941	47000	9060941
10	Asian Hotels Limited	0	0	5229	3918265
10	Asian Hotels Limited-(North)	2614	1306088	0	0
10	Asian Hotels Limited-(East)	2614	1306088	0	0
10	Asian Hotels Limited-(West)	2614	1306088	0	0
10	Kingfisher Airlines Limited	25000	7004812	25000	7004812
10	Dewan Housing Finance Corporation Limited	7500	1643234	25000	4696159
10	GTL Infrastructure Limited	90000	7266371	90000	7266371
10	KS.Oils Limited	58000	4934182	58000	4934182
10	Parsvnath Developer Limited	8730	5016662	8730	5016662
10	Shardul Securities Limited	12000	5832850	12000	5832850
	Total		53,529,774		56,582,700
Unquoted - Fully Paid Up					
10	Danda Pani Spinning Mills Limited	10000	300000	10000	300000
10	Artheon Energy Pvt. Limited	250000	250000	250000	250000
10	Integrated Documentation Consultant Private Limited	2000	20000	2000	20000
	Total		570000		570000
TOTAL VALUE			54,099,774		57,152,700
Cost Of Quoted Investment (Equity Shares)			53,529,774		56,582,700
Cost of Un-Quoted Investment (Equity Shares)			570000		570000
Market Value of Quoted Investments (Equity Shares)			22,648,483		17,766,932



ARTHEON FINANCE LIMITED (2009-10)

SCHEDULE FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010.

SCHEDULE ' N ' :

1. SIGNIFICANT ACCOUNTING POLICIES

i) Basic of Accounting:

The financial statement is prepared under the historical cost.

ii) The presentation of financial statement is in conformity with the generally accepted accounting principles.

iii) Revenue Recognition

In respect of other heads of income, the company follows the practice of accounting for such income on accrual basis. Delayed payment charges are accrued on the basis of certainty of collection.

iv) Retirement and other employees benefits

i) Contributions are made towards Provident Fund, which are defined contribution schemes. Liability in respect thereof is determined on the basis of contribution as required under the statute/ rules.

ii) Gratuity liability and provision for Leave Encashment has been provided for on the basis of actuarial valuations made at the year end.

v) Fixed Assets

Fixed Assets are carried at cost of acquisition less accumulated.

vi) Depreciation on Fixed Assets

In respect of leased assets, purchased/installed after March 31, 1989, 95% of the cost of the assets is being written off as depreciation on straight-line method basis spread during the leased period.

In respect of all other assets, depreciation is provided on straight line method at the rate and in the manner prescribed in Schedule XIV to the Companies Act 1956.

vii) Investment

Investments are carried at cost and are shown in Schedule of Investment. Provision for diminution is made to recognize a decline, other than temporary nature in the value of a long-term investment.

viii) Taxes on Income :

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with the relevant tax regulation.

- 2) Contingent liability not provided for in respect of demand raise by Income Tax department for the Assessment Year 2005-06 amounting to Rs.750795/-.The Company has preferred an appeal and same is pending before commissioner of income tax (appeal).



ARTHEON FINANCE LIMITED (2009-10)

3) Remuneration to Auditors

	2010-11	2009-10
As Audit Fees	33090.00	33090.00
As Tax Audit Fees	16545.00	16545.00
TOTAL	<u>49635.00</u>	<u>49635.00</u>

4) In the opinion of the Board, Current Assets, Loans & Advances are approximately of the same value as stated in the Balance Sheet, if realized in the ordinary course of business.

5) Loans & advances include Rs1411500/- due from a Associate Companies (Previous year Rs. 1411922/-)

6) As the company is not manufacturing any item, the additional information pursuant to Schedule VI, II 4-C and 4-D to the Companies Act, 1956, has not been furnished except as under :

Expenditure in foreign currency:

Particulars	2009-2010	2008-2009
Foreign Travel Expenses	0.00	391596.00

7) **Related Parties Disclosure :**

As per the Accounting Standard-18 on “related party disclosure”, issued by the “Institute of Chartered Accountants of India, the related parties of the Company are as follows:

- I) Associated Companies / Firms.
- Artheon Battery Company Pvt Ltd
 - Artheon Energy Pvt Ltd.
 - Artheon Electronics Limited.
 - Essjay Ericsson Private Limited

II) Key Managerial Person: Shri. S. K. Jiwarajka

III) The nature of volume of transaction the company during the year with the related parties were as Follows :

- Associated Companies / Firms: Rs NIL (Balance As on 31.03.2009 Rs.200000/-)
- Advance for property to associate company Rs1411500/--(Balance As on 31.03.2009 Rs. 1411922/-)



ARTHEON FINANCE LIMITED (2009-10)

8) Deferred Tax:

The break up of deferred tax assets and deferred tax liabilities is as given below :

	Amount (Rs) 31.03.2010	Amount (Rs) 31.03.2009
<u>Deferred tax Asset</u>		
Arising on account of timing differences in :-	1657905	2211837
Brought forward unabsorbed losses		
Total (A)	1657905	2211837
<u>Deferred Tax Liability</u>		
Arising on account of timing differences in :-		
Depreciation	317744	353231
Total (B)	317744	353231
Deferred Tax Asset / (Liability)	1340161	1858606

The company has not recognized to Deferred Tax Assets in the books of accounts.

9) Segment :-

Primary Segment Information for the year ended 31st March,2010.

	Fund Based (RS.)	Non-Fund Based(Rs.)	Total(RS.)
REVENUE			
External Revenue	4950447	804324	5754771
Internal Revenue	0	0	0
Total Revenue	4950447	804324	5754771
Add. Interest Income		0	0
Total Enterprise Revenue	1789586	254365	5754771
Result			
Segment Results			5754771
Unallocated Expenditure			2984875
Interest Expenses			119091
Interest Income			
Depreciation			658340
Profit/(Loss) before Taxation			1992466

10) Particulars of earning per share :

Calculation of Weighted Average Number of equity Shares of Rs. 10/- Each		31.03.2010	31.03.2009
1	No. Of Equity Shares at the beginning of the year	1400000	1400000
2	Total No. Of Equity Shares outstanding at the end of the year	1400000	1400000
3	Weighted Average Number of Equity Shares of Rs. 10/- each outstanding during the year	1400000	1400000
4	Net profit after tax available for Equity Shareholder	1707057	(5822145)
5	Basis and Diluted Earning per share	1.22	(4.16)
6	Nominal value of shares	10/-	10/-



ARTHEON FINANCE LIMITED (2009-10)

11) Gratuity

The Company has an obligation towards gratuity, which is a defined benefit plan. Liability for gratuity to employees on the basis of actuarial valuation using projected Unit Credit method as on the balance sheet date is unfunded absorbed in the accounts.

Compensated absences

Liability for short term compensated absences is recognized based on the eligible leave to the credit of the employees as at the balance sheet date. Liability for long term compensated absences is determined on the basis of actuarial valuation using projected unit credit method as on the balance sheet date.

The following tables summaries the components of net benefit.

1. Table showing change in benefit obligation:-

Liability in the beginning of the year	536827
Interest Cost	44925
Current Service Cost	42848
Past Service Cost (Non-vested benefit)	0
Past Service Cost (Vested benefit)	0
Settlement	0
Liability Transfer in	0
Liability Transfer out	0
Benefit Paid	0
Actuarial (Gain)/Loss on obligations	-97289
Liability at the end of the year	527311

2. Expenses recognized in the income statement :

Current Service Cost	42848
Interest Cost	44925
Expected Return on Plan Assets	0
Past service cost(Non vested benefit) recognized	0
Past service cost(Vested benefit) recognized	0
Recognition of transition liability	0
Actuarial (Gain) or Loss	-97289
Expense recognized in Profit & Loss account	

3. Amount recognized in the Balance Sheet:

Particulars	Gratuity	Leave Encashment
Liability at the end of the year	527311	329182
Fair value of the assets at end of the year		
Difference	(527311)	(329182)
Unrecognised past service cost	0	0
Unrecognised transition liability	527311	329182
Amount recognized in the balance sheet	0	0

12) Previous year's figures have been re grouped wherever necessary so as to make them comparable with those of the current year.



ARTHEON FINANCE LIMITED (2009-10)

13) BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER PART (IV) OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

1)	Registration Details:	
	Registration No	: 11-33922of 1984
	State Code	: 11
	Balance Sheet Date	: 31.03.2010
2)	Capital raised during the year:	
	Public Issue	: Rs. NIL/-
	Rights Issue	: Rs. NIL/-
	Bonus Issue	: Rs. NIL/-
	Private Placement	: Rs. NIL/-
3)	Position of Mobilisation and Deployment of Funds:	
	Total Liabilities	: Rs66,019,420/-
	Total Assets	: Rs66,019,420/-
4)	Sources of Funds	
	Paid Up Capital	: Rs. 14,000,000
	Reserves & Surplus	: Rs. 51,648,960
	Secured Loans	: Rs. NIL
	Unsecured Loans	: Rs. 370,460
5)	Application of Funds	
	Net Fixed Assets	: Rs4,605,982
	Net Current Assets	: Rs.7,603,708
	Misc. Expenditure	: Rs. NIL
6)	Performance of Company :	
	Turnover (Gross Revenue)	: Rs. 57,54,771
	Total Expenditure	: Rs. 37,62,305
	Profit/(Loss) before Tax	: Rs.19,92,466
	Profit/(Loss) after Tax	: Rs.17,07,057
	Earnings Per Share	: 1.22
	Dividend Rate	:
7)	Generic Names of Three Principal Products/Services of Company (As per Monetary Terms) :	
	Item Code No.(ITC Code)	: NOT APPLICABLE
	Product Description	: Broking
	Product Description	: Professional Consultancy Services

SIGNATURE TO SCHEDULE 'A' TO 'M'

AS PER OUR REPORT OF EVEN DATE FOR

V. PAREKH & ASOCIATES
CHARTERED ACCOUNTANTS

Rasesh V. Parekh

RASESH V. PAREKH PARTNER

MEMBERSHIP NO.38615

FIRM REG. NO.107488W

MUMBAI,

DATED: 6TH SEPTEMBER , 2010



FOR AND ON BEHALF OF THE BOARD

T. J. Wanjale *P. J. Wanjale*

DIRECTOR

DIRECTOR

ARTHEON FINANCE LIMITED
CASH FLOW STATEMENT AS PER CLAUSE 32 OF THE LISTING AGREEMENT

	2009-2010 Rs.	Rs.	2008-2009 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(Loss) before Tax and Extraordinary items	1,992,465		(5,695,139)
Adjustments for :			
Depreciation	658,340		666,530
Loss on Assets Discarded / Sold			-
Interest / Bank Charges Paid	120,618		251,044
Provision for Taxation	(285,408)		-
Deferred Tax			
Fringe Benefit Tax	-		(140,000)
For Excess Provision Tax of earlier year	-		12,994
Dividend Received	(145,161)		(211,650)
Interest Received	-		(6,699)
(Profit)/Loss on sale of Shares	(638,960)		62,660
(Profit)/Loss on Sale of Mutual Fund Units	-		-
Operating Profit before working capital charges	1,701,893		(5,060,261)
Adjustments for :			
(Increase)/Decrease in Trade and other receivable	(398,875)		3,209,328
Increase/(Decrease) in Current Liabilities	264,369		(958,285)
Prior Period Adjustments			-
	(134,505)		2,251,044
NET CASH FROM OPERATING ACTIVITIES (A)		1,567,388	(2,809,216)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	-		-
Sale of Fixed Assets	-		-
Secured Loans/Unsecured Loan	(1,388,733)		(1,268,355)
(Additions) / Deductions to Investments	3,052,926		2,092,765
Dividend Received	145,161		211,650
Profit /(Loss) on Sale of Shares	638,960		(62,660)
Profit/(Loss) on Sale of Mutual Fund Units			-
Profit/(Loss) on Sale of Mutual Fund (Debt) Units			-
NET CASH FROM INVESTING ACTIVITIES (B)		2,448,315	973,400
C. CASH FLOW FROM FINANCING ACTIVITIES			
Interest Received	-		6,699
Interest & Bank Charges Paid	120,618		251,044
NET CASH FROM FINANCING ACTIVITIES (C)		(120,618)	(244,345)
Net Increase /(Decrease) in cash and cash Equivalents (A+B+C)		3,895,085	(2,080,161)
CASH AND CASH EQUIVALENTS			
Opening Balance in the beginning of the year	71,747		2,151,908
Closing Balance at the end of the year	3,966,832		71,747
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		3,895,085	(2,080,161)

For & on behalf of the Board of Directors

T. J. Maray

Director

Director

Mumbai :

We have examined the attached Cash Flow Statement of Artheon Finance Limited for the year ended 31st March 2010.

The Statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause 32 with Mumbai Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 6th Sept 2010 to members of other Company

Mumbai

DATED : 6TH SEPTEMBER, 2010



FOR V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS

Rakesh V. Parekh
RAKESH V. PAREKH PARTNER
MEMBERSHIP NO- 038615
FRN NO. 107488W