
ATHARV ENTERPRISES LTD

:: Registered Office ::
1039 E Rajaram Road, KOLHAPUR 416008

TWENTYTH ANNUAL REPORT

Financial Year
2009 - 2010

ORIGINAL
012 COPY



NOTICE IS HEREBY given that the TWENTYTH Annual General Meeting of the members of ATHARV ENTERPRISES LTD will be held on Thursday, the 23rd day of September, 2010 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 Profit & Loss Account for the year ended 31st March, 2010 and Balance Sheet as on that date together with its Schedules and Notes annexed thereto and Directors Report and Auditor's Report thereon.
- 2] To re-appoint M/s SANJAY VHANBATTE & CO., Chartered Accountants, as the auditors of the Company for the financial year 2009-10, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration and on such terms and conditions as may be decided between the said auditors and the Company.
- 3] To appoint a director in place of Mr. Rajendra Patel, who retires by rotation and being eligible has offered himself for reappointment.

SPECIAL BUSINESS :

- 4] To consider, and if thought fit to pass with or without modification the following resolution as a ordinary resolution-

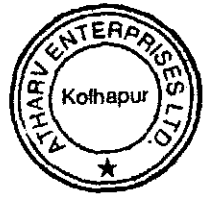
APPOINTMENT OF MANAGING DIRECTOR

"Resolved that the pursuant to the provisions of section 198,269 and 309 Schedule XIII and other applicable provisions if any, of the Companies Act 1956 and amendments of the Companies Act 1956, and re-enactments thereof, consent of the Company be and is hereby accorded to the appointment of Shri Nitten Jaju, Managing Director of the Company for a period of three years with effect from 23.09.2010 to 22-09-2013 on the terms and conditions and remuneration as recommended by as set out in the explanatory statement.

"Resolved further that the Board of director's of the Company be and are hereby authorised to vary remuneration and perquisites including monetary value thereof, as specified in explanatory statement or allow any other facilities, perquisites, from time to time within the overall ceiling to the extent, Board of Director's may consider appropriate and as may be authorised in accordance with any provisions under the Companies Act,1956 or Schedule appended thereto for the time being in force or any Statutory modifications or re-enactments thereof and/or in rules and regulations promulgated there under."

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. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act,1956 is annexed hereto.



3. The Share Transfer Books and the Register of Members of the Company shall remain closed from 21-09-2010 to 23-09-2010.

Place - Kolhapur
Date - 31.07.2010

For & on behalf of the Board
For ATHARV ENTERPRISES LTD


Bhushan Gandhi
Non-Executive, Independent Chairman

EXPLANATORY STATEMENT

Pursuant to Section 173 (2) of the Companies Act, 1956 forming part of and attached to the Notice dated 31st July, 2010 for the Annual General Meeting Setting out all material facts relating to the Special Business mentioned in the said Notice.

Item No. 4

Mr. Nitten Jaju is one of the Promoters of the company. Aged 40, B.E. (Production) he has been active in the company affairs and has been the Chief Executive of the company since 2002. He has been devoting major time to the day to day affairs of the company.

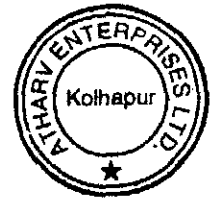
Further, Ritu Jaju, Executive Director has tendered her resignation as a Director of the company w.e.f. AGM date and Pooja Jaju, Whole Time Director of the company have expressed her inability to give complete time for the affairs of the company and shall cease to be a Whole Time Director w.e.f. AGM date. This has necessitated that the company to appoint a Managing Director to be at the helm of the affairs of the company completely.

As such, the board recommends that he be appointed as the Managing Director of the company at a remuneration of Rs.15000/- p.m. with standard facilities.

Place - Kolhapur
Date - 31.07.2010

For & on behalf of the Board
For ATHARV ENTERPRISES LTD


Bhushan Gandhi
Non-Executive, Independent Chairman



REPORT ON CORPORATE GOVERNANCE
FINANCIAL YEAR 2009-10

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 31st March, 2010. 2 are Non-Executive and Independent Directors out of which one is Independent & Non-Executive Chairman of the company. Out of the other two, one is a Wholetime Director and one is a Executive Director.

The Chief Executive Officer look after the day to day affairs of the Company. The Whole Time Director looks after the yarn trading activity solely. The Executive Director looks after the Electricals Division. The Board of Directors review Company's performance and approve, review policies / strategies and evaluate the management performance. The Board ensure legal and ethical conduct of business and accurate financial reporting.

The Board of Directors meet at least once a quarter to review the Company's performance and financial results and more often, if considered necessary to transact other important business.

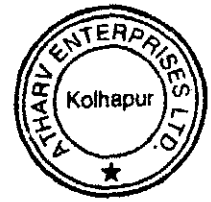
The Company presently as on 31 March, 2010 have four directors, the details of which are as follows :

| Name of Director | Category | Remuneration Drawn | Perquisites, if any |
|--------------------|---------------------------------------|--------------------|---------------------|
| Mrs. Ritu Jaju | Director - Executive | Rs. 1,80,000 p.a. | Rs 48090/- |
| Mrs. Pooja Jaju | Director - Wholetime | Rs. 1,80,000 p.a. | |
| Mr. Rajendra Patel | Director - Non Executive, Independent | Nil | |
| Mr. Bhushan Gandhi | Chairman - Non Executive, Independent | Nil | |

b) Number of Board meetings :

The company held meetings of its Board of Directors during the year on the following dates :
8 June, 2009, 13 June, 2009, 19 August, 2009, 3 November, 2009,
19 December, 2009, 02 February, 2009

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 19th Annual General Meeting was held on 19th August, 2009.

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 in India | Board committees of which Director is member |
|------------------|---------------------------------------|------------------------------|----------------------------------|------------------------|--------------------------------------------------------------|----------------------------------------------|
| Bippin S Jaju * | Managing Director | 6 | 1 | Yes | No | Nil |
| Ritu N Jaju | Director – Executive | 6 | 6 | Yes | No | 1 |
| Pooja B Jaju | Director – Wholetime | 6 | 5 | Yes | No | 1 |
| Rajendra C Patel | Director – Independent | 6 | 4 | Yes | No | 2 |
| Bhushan J Gandhi | Chairman – Non Executive, INdependent | 6 | 5 | Yes | No | 2 |

* Resigned as Managing Director and Director wef 11 June, 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.

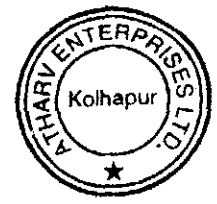
- Operating plans and budgets and revisions, if any, along with comparison of actual with budget
- Capital budget and revision, if any
- Cash Flow statements
- Quarterly results segment wise
- Minutes of meetings of Audit Committee and other committees of the Board
- Material show cause / demand / prosecution / 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 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, 2010 :

| | |
|------------------------------|-------------------------------------|
| Mr. Bhushan Gandhi, Chairman | Independent, Non-Executive Director |
| Mr. Rajendra Patel, Member | Independent, Non-Executive Director |
| Mrs. Pooja Jaju, Member | Whotetime Director |

Mr Nitten Jaju, Chief Executive and Compliance Officer of the Company is secretary of the Committee.

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.

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 :

8 June, 2009, 02 November, 2009, 02 February, 2009

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 | 3 |
| Mrs. Pooja Jaju | 3 | 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 are :

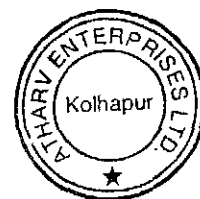
| | |
|------------------------------|-------------------------------------|
| Mr. Bhushan Gandhi, Member | Independent, Non-Executive Director |
| Mr. Rajendra Patel, Chairman | Independent, Non-Executive Director |
| Mrs. Ritu Jaju, Member | Executive Director |

Mr. Nitten Jaju, Chief Executive is the Secretary of the Committee. The Committee meets not less than twice in a year. The authority to deal with the matters related thereto has been delegated by the committee to Mr. Bhushan Gandhi, Independent, Non-Executive Chairman of the company.

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

8 June, 2009, 02 November, 2009, 02 February, 2009

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 | 3 |
| Mrs. Ritu Jaju | 3 | 3 |

During the year, no complaints were received from the investors. There are no pending share transfers as on 31 March, 2010.

i) Compliance Officer :

Mr. Nitten Jaju, the Chief Executive officer has been designated as the Compliance officer.

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, 2010.

3. **MANAGEMENT**

j) Management Discussion and Analysis :

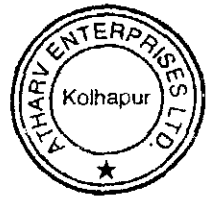
The activities of the company are limited and the size and the turnover is small. As such, the management discussions are an ongoing process and doesn't merit special mention. However, a gist of discussions and analysis is presented :

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.
- 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.
- 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.
- 'Shubh Labh Mines' is being closed since the clay sand for mining does not look any more remunerative.
- 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 proposed project is expected to take some form only after august, 2009.
- The company is a distributor for CFL, C-Lums & fans of Havells India Ltd. and these operations are accounts are maintained under Electricals Division. M/s. Energia Electrical Corporation is a working partner in this project and is entitled to 30% net profits. The business has limitation in terms of sales and growth. Further, considering that there is an associate who is also entitled to profits from the activity, the company has proposed to sell off the electrical division.
- The company has entered into a MOU with M/s. Shree Patil Minerals in consortium with other parties for Silica Sand Mining. The Silica Sand Mines has been allotted to M/s. Shree Patil Minerals by the Government of Maharashtra and the process of Environmental clearance is going on.

Opportunities and threats -

- Investment in shares has its pitfalls in terms of market conditions. It is also prone to error in judgement during investment in equity market.



- Amounts which have been lent to parties on call basis have threat of going bad. However, the amounts earmarked for specific projects are presently lent to parties of repute or to whom one of the Director know well.
- 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. Generally, advance payments are to be made to Mills for booking yarn. This may also be termed as a limited risk.
- Electricals Division operations have limited growth potential. Credit of a month or above have to be given to Retailers who are the customers of the company since the sales are limited to sales by distribution network. There are reasonable chances of non-recoverability of amounts However, as a practice, a collection executive is appointed whose primary job is to collect due payments. This reduces the threat of the amounts going bad considerably.
- 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.
- The investment along with consortium partners in M/s. Shree Patil Minerals can be considered a threat since the mining can start only in case environmental clearance from the Union Ministry of Environment. For the same, a public hearing is also conducted by the Authorities to seek views of the Local people in the panchayat where this mines is located.

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. The Sri Lankan project can yield high returns. Green Fuel Tech has given decent returns on the investment of the company. The Silica Sand mines is a high return opportunity with long term prospects of at least 20 years considering the total estimated reserves in the mines.

Segment wise performance –

- The company has booked reasonable income from investment in shares and from interest income.
- This year has been good for yarn business and the company has earned decent profits there.
- The Electricals Division has taken shape. However there is limitation in growth and sales due to structure of the business.

Outlook –

The yarn business is encouraging and so is the investment in shares. Electricals Division will give sustained income. The Sri Lankan project still lacks fair amount of clarity in terms of the project taking shape. The Briquettes activity in which the company is a partner is expected to do good.

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.

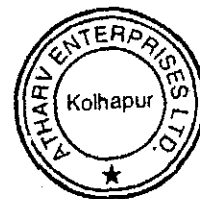
There is a concern relating to present investment in Sunchemie Industries P Ltd, Sri Lanka in case the project doesn't come up.

The advances to M/s. Shree Patil Minerals are non-refundable in case of proper surface rights being arranged by them of the lease mining area and the approach road to the mines. Then, if the environmental clearance gets delayed, there could be substantial concern of the advances paid to them.

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 Executive, internal controls are observed. Also, Internal audit is conducted routinely.

Financial performance wrt operational performance –



The company has had a good profit this year due to income from yarn and electricals division. The operational profit (EBITDA) is Rs. 29.76 lakhs.

Development in HRD –

Since the manpower required is not more than 15, 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.

4. SHAREHOLDERS

m) Annual General Meetings :

Details of General Meetings of the Shareholders are under :-

| YEAR | AGM / EGM | LOCATION | DATE | TIME |
|---------|-----------|-----------------------------------------|------------|----------|
| 2006-07 | AGM | 1039 E Rajaram Road, Kolhapur 416008 | 30.09.2007 | 11.00 am |
| 2007-08 | AGM | 1039 E Rajaram Road, Kolhapur 416008 | 29.09.2008 | 11.00 am |
| 2008-09 | AGM | 1039 E Rajaram Road, Kolhapur 416008 | 19.08.2009 | 11.00 am |

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.

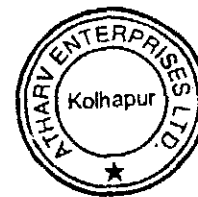
- ii) Details of non-compliance by the company, penalties, strictures imposed on the company by stock exchanges or SEBI or any statutory authority on any matter related of capital markets during the last three years :

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 suspension of the scrip was revoked by the Bombay Stock Exchange and the scrip got re-listed on the BSE wef 19 February, 2010. The company has paid Rs. 2,80,000/- towards re-listing of the scrip to BSE as directed by them.

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 :1. Annual General Meeting :

Day, Date, time and Venue Thursday, 23rd September, 2010 at 11.00 a.m.
Panchvati, 56, Shivaji Park, Kolhapur 416003

2. Financial Calendar for 2010-2011 (tentative) :

Financial reporting for September, 2010 quarter results - 2 November, 2010
Financial reporting for December, 2010 quarter results - 2 February, 2011

p) Book Closure Dates : 21.09.2010 to 23.09.2010
(both days inclusive)4. Listing on the Stock Exchanges :

The equity shares of the Company is listed on the Bombay Stock Exchange. The Company has paid the listing fees to the stock exchange for the period 1st April, 2010 to 31st March, 2011. The scrip's suspension has been revoked wef 19 February, 2011.

The Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers, 14th floor,
Dalal Street, Mumbai - 400 001
Scrip Code - 530187

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

5. Stock price data for the FY 2009-10 :

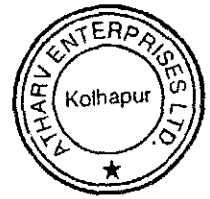
| MONTH | HIGH (Rs) | LOW (Rs) | VOLUME no of shares traded | BSE SENSEX HIGH | BSE SENSEX LOW |
|----------------------------------|-----------------|----------|----------------------------|-----------------|----------------|
| April 2009 to January 2010 | SCRIP SUSPENDED | | | | |
| February 2010 | 50.00 | 19.81 | 5,20,656 | 16669.25 | 15651.99 |
| (Scrip relisted on 19 Feb, 2010) | | | | | |
| March, 2010 | 20.00 | 10.45 | 1,08,539 | 17793.01 | 16438.45 |

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 : info@adroitcorporate.com

1. Distribution of shareholding as at 31 March, 2010 :

| No. of Equity Shares | No of Share Holders | Percentage of Share holders | No of shares held | Percentage of shareholding % |
|----------------------|---------------------|-----------------------------|-------------------|------------------------------|
|----------------------|---------------------|-----------------------------|-------------------|------------------------------|



| | | | | |
|--------------|-------------|--------------|----------------|--------------|
| Upto 500 | 3042 | 91.99 % | 470787 | 15.45 % |
| 501 - 1000 | 133 | 4.02 % | 118454 | 3.89 % |
| 1001 - 2000 | 58 | 1.75 % | 88598 | 2.91 % |
| 2001 - 3000 | 27 | 0.82 % | 70287 | 2.31 % |
| 3001 - 4000 | 4 | 0.12 % | 13000 | 0.43 % |
| 4001 - 5000 | 13 | 0.39 % | 61997 | 2.04 % |
| 5001 - 10000 | 10 | 0.30 % | 71000 | 2.33 % |
| Above 10000 | 20 | 0.60 % | 2152377 | 70.65 % |
| TOTAL | 3307 | 100 % | 3046500 | 100 % |

2. Shareholding pattern as at 31 March, 2010 :

| CATEGORY | NO OF EQUITY SHARES HELD | PERCENTAGE OF SHAREHOLDING |
|--------------------------------------------------------------------------|--------------------------|----------------------------|
| Promoters & Associates | 1862625 | 61.14% |
| Financial Institutions / Banks / Central / State Government Institutions | 0 | 0 |
| Mutual Funds & UTI | 0 | 0 |
| FII s | 0 | 0 |
| NRI s | 500 | 0.02% |
| Domestic Corporate Bodies | 177833 | 5.84% |
| Indian Public | 996498 | 32.70% |
| Clearing Member | 9044 | 0.30% |
| TOTAL | 3046500 | 100% |

3. Dematerialisation of shares and liquidity as at 31 March, 2010 :

| PARTICULARS | NO. OF SHAREHOLDERS | NO OF SHARES | PERCENTAGE |
|--------------|---------------------|----------------|--------------|
| CSDL | 233 | 200272 | 6.57% |
| NSDL | 382 | 2088828 | 68.56% |
| PHYSICAL | 2692 | 757400 | 24.86% |
| TOTAL | 3307 | 3046500 | 100 % |

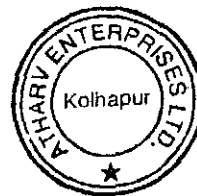
The Company's shares have to be compulsorily traded in the electronic form. Requests for dematerialisation of shares are processed and confirmed within 15-20 days of receipt to NSDL and CDSL.

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

As at 31 March, 2010 there are no outstanding ADRs/GDRs/Warrants/Other convertible instrument which has impact on the equity of the Company.

5. Non-Compliance as reported / identified by The Company Secretaries - Comments thereon :

- The company does not have its own website for putting up the information of quarterly results. However, it sends in a format such as to enable the Stock Exchange on which the Company's shares are listed to enable the Stock Exchange to put it on its own website.
- The Company has formed a Joint Investor Grievance and share transfer committee. The total shareholders of the company is only 3307. 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. The powers have been delegated to Mr. Bhushan Gandhi, Independent Non-Executive Director.



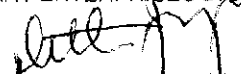
- c. Since the equity of the company is less than Rs. 500 lakhs, the company has only a Practising Company Secretary for all the secretarial works and certification. Hence, the compliance officer of the company is the Secretary to the Audit Committee.

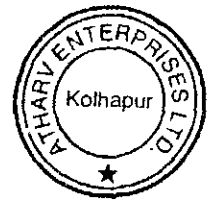
DECLARATION

I, Nitten Jaju, Chief Executive Officer of Atharv Enterprises Ltd and Compliance Officer for the company, 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, 2010.

Kolhapur
July 31, 2010

For ATHARV ENTERPRISES LTD,


Nitten Jaju
Chief Executive Officer



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, 2010, 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.

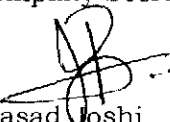
In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, subject to following

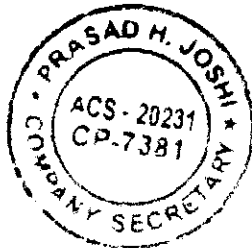
- a. *The information of quarterly results is not put on the company's web site. But, the same is sent in a format such as to enable the Stock Exchange on which the Company's shares are listed to put it on its own web site.*
- b. *The Code of Conduct for directors has not been posted on the company's web site.*
- c. *The secretary of the audit committee is not a company secretary.*
- d. *The Company has formed a Joint, Investor Grievance and share transfer committee. Further, this committee deals with share transfer. The authority is delegated to Mr. Bhushan Gandhi.*

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

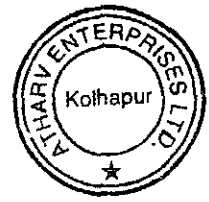
We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For and on behalf of
P H Joshi & Co,
Company Secretaries,


Prasad Joshi
Proprietor



Place : Kolhapur
Date : 31 July, 2010



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, 2010.

FINANCIAL RESULTS

| | (Rs.in.lacs) | |
|---------------------------------|------------------|------------------|
| | <u>2009-2010</u> | <u>2008-2009</u> |
| Gross Receipts | 564.82 | 444.09 |
| Profit/Loss before Depreciation | 15.57 | 17.43 |
| Depreciation | 2.35 | 2.28 |
| Net Profit / (Loss) for year | 13.30 | 7.88 |

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.

SALE OF ELECTRICAL DIVISION OF THE COMPANY

It is proposed to sale of the electrical division of the Company for diverse reasons. The company is a distributor and not complete dealer of products. This limits its sales. The growth of the business is not expected to be quite attractive. It is hence proposed that the company sell the electrical division and look into growth prospects in yarn and also entry into silica sand mining.

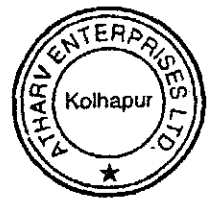
Consent of the members is required for such sale as per section 293(1)(a) of the Companies Act, 1956. A resolution by postal ballot is proposed to be passed for this purpose which is being separately dispatched.

RESOLUTION U/S. 372A

It is proposed to invest fund of the Company in the following companies in which either the company is holding equity or any of the Directors of the Company are interested –

Atharv Agencies Private Limited
Jai Enterprises
Atharv Mines Private Limited
Sunchemie Industries Private Limited, Sri Lanka

For the above purpose consent of members by a special resolution u/s. 372A of the Companies Act, 1956 is required to be passed through the process of Postal Ballot. The same is being separately dispatched.



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. 13.30 lakhs for this financial year and a operating profit (EBITDA) of Rs. 29.76 Lakhs.

FUTURE PROJECTS & REVIEW

1. The Company has sufficient investment in shares. It has given excess funds as loans on call basis to known parties only.
2. The yarn trading activity is quite established at Ichalkaranji.
3. Electricals Division is being fully operational and is a 'Distributor' for Havells India Ltd for their range of CFL, C-Lum & Fans in Kolhapur region. The company proposes to sell this division due to limited sales prospects.
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, Chief Executive. 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 such, the said project has got delayed. The total capital cost of the venture is estimated in the vicinity of USD 2.50 Million.
7. The company has entered into a MOU with M/s. Shree Patil Minerals in consortium with other parties for Silica Sand Mining. The Silica Sand Mines has been allotted to M/s. Shree Patil Minerals by the Government of Maharashtra and the process of Environmental clearance is going on.

DIRECTORS

Mr. Rajendra Patel, Non-Executive Independent Director is to retire at the ensuing annual general meeting and being eligible he has offered himself for reappointment.

Mrs. Ritu Jaju, Executive Director has informed the company that she wishes to give up here executive responsibilities and resign as a Director from the company wef the AGM date.

Mrs. Pooja Jaju, Wholetime Director has informed the company that she wishes to give up her executive responsibilities of a Whole Time Director due to her other pre-occupations and continue as a Non-Executive Director only.

It is proposed to appoint Mr. Nitten Jaju who is Chief Executive Officer of the Company as Managing Director since both Ritu Jaju and Pooja Jaju have expressed their unavailability for company affairs wef the ensuing AGM.

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 2009-10 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.

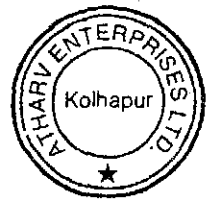
- B) Particulars required to be furnished by the companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988
- i. Part A and B relating to conservation of Energy and Technology Absorption are not applicable to the company as the company is not a manufacturing company.
 - ii.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

COMMENTS IN AUDITORS REPORT

1. Provision of contingent liability : A Provision of contingent liability of Rs. 50.00 Lakhs is made in respect of MOU entered into with M/s. Shree Patil Minerals which is to be paid as agreed between them for securing mining rights of silica sand. An amount of Rs. 31.50 Lakhs has been paid by the company towards advance which will be transferred to them as deposits after they fulfill some clauses as mentioned in the MOU.
2. 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 is informed by the bank, that the charge cannot be registered.

REVOCATION OF SUSPENSION OF THE SCRIP FROM THE BOMBAY STOCK EXCHANGE

The company have complied with all compliances of Clause 49 and are happy to inform that the BSE have revoked suspension in trading of scrip wef 19 February, 2010.



ATHARV ENTERPRISES LTD - Annual Accounts - 2009-10

INSPECTION UNDER SECTION 209A OF COMPANIES ACT, 1956

The company had received notice from the Ministry of Company Affairs, Company Law Board, Western Region for inspection of books of accounts and other records u/s 209A of The Companies Act, 1956.

The inspection was carried out on 28/06/2010 – 29/06/2010. An inspection report from them was received citing certain violations and contraventions of Companies Act. The company has given its submissions and is also moving for compounding applications relating to certain violations and contraventions of Companies Act with the Company Law Board.

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.

COMPLIANCE CERTIFICATE

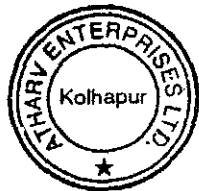
Since the paid up capital of the company exceeds the prescribed limits, the company is required to obtain the certificate from a secretary in whole time practice, pursuant to the provisions of section 383A of the companies Act, 1956 and the same forms part of this report.

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.



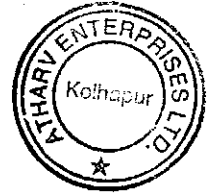
Place :- Kolhapur
Date :- 31.07.2010

For & on behalf of the Board
For ATHARV ENTERPRISES LTD


Pooja Jaju
Wholetime Director


Ritu Jaju
Executive Director

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

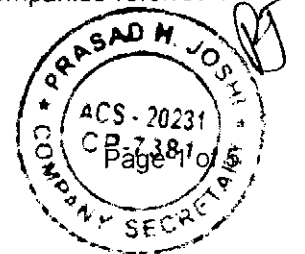


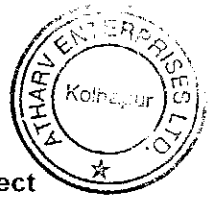
Reg. No.: **L74999PN1990PLC059566**
Nominal Capital: Rs.3,25,00,000/-
Paid-up Capital: Rs 3,04,64,000/-

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

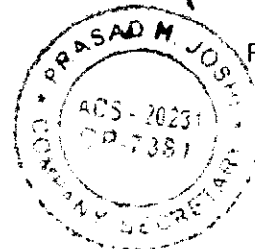
I have examined the Registers, Records, Books and Papers of M/S. **ATHARV ENTERPRISES LIMITED**, required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2010. 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 **SIX (6)** times respectively on 8 June, 2009, 13 June, 2009, 19 August, 2009, 3 November, 2009, 19 December, 2009 and 02 February, 2009 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 17-08-2009 to 19-08-2009 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 2009 was held on Wednesday the 19th August 2009 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 except relating to attachment of Compliance Certificate as per proviso to Section 383A(1).**
14. The Board of Directors of the Company is duly constituted.
15. The appointment of Whole-time 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. **However the Company has not filed necessary Forms with Registrar of Companies, Pune.**
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 295, 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.





ANNEXURE – B

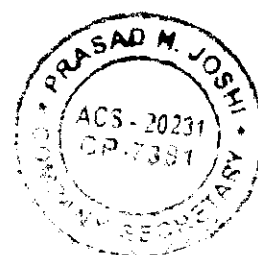
Annexure to the Compliance Certificate of
M/S ATHARV ENTERPRISES LIMITED

Forms and Returns as filed by M/S ATHARV ENTERPRISES LIMITED with the Registrar of Companies during the financial year ended 31st March 2010.

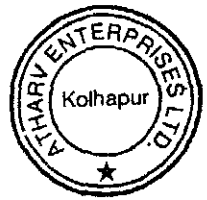
| No | Form No/ Return | Filed under relevant Section of the Act | Particulars (Date of Document) | Purpose of Form |
|----|-----------------|-----------------------------------------|--------------------------------|-------------------------|
| 1. | Form 32 | S. 303 | 13 th June 2010 | Resignation of Director |

Place: KOLHAPUR
Date: 31-07-2010

PRASAD H. JOSHI
COMPANY SECRETARY
ACS 20231 CP: 7381



Page 5 of 5



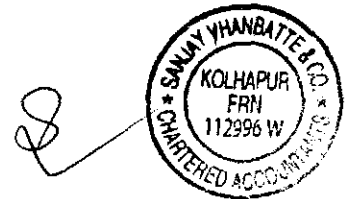
AUDITORS' REPORT TO THE MEMBERS

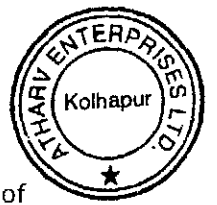
To,
The Members,
ATHARV ENTERPRISES LIMITED

We have audited the attached Balance Sheet of **ATHARV ENTERPRISES LIMITED** as at March,31, 2010 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.

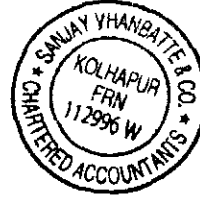
1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we give in the annexure a statement on the matters specified in the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above we report that :
 - a) 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 examination of the books.
 - c) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of account.
 - d) 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.
 - e) 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.
 - f) **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,31,2010.
- 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: 31.07.2010



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

Sanjay M. Vhanbatte
Proprietor
M.NO.044808



FINANCIAL YEAR ENDING 31ST MARCH, 2010

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. **Cars and the loans taken in respect there of are held 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 :

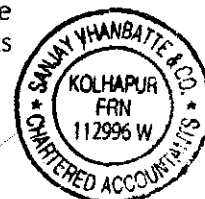
- a) As explained to us, Inventories have been physically verified by the management at regular intervals during the year.
- b) In our opinion, and according to information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and 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.

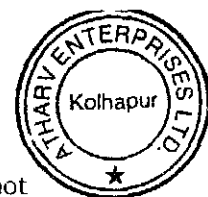
3. In respect of loans, secured or unsecured, granted by the Company to /from companies, firms or other parties covered in the registered maintained under Section 301 of the Companies Act, 1956 :

- a) The Company has not given the following 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 31-03-2010 | Maximum Balance outstanding during the the year |
|-----------------|-----------------------------------------|-------------------------------------------------------|
| Jai Enterprises | 39,57,024.97 | 39,57,024.97 |

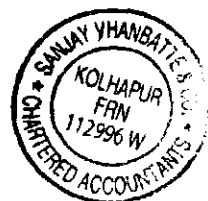
- c) In our opinion and according to our information and explanation given to us, the terms and conditions on which the loans are taken are not, prima facie, prejudicial to the interest of the Company.
 - d) Since the said loans being payable on demand and being interest free the question of regularity 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**

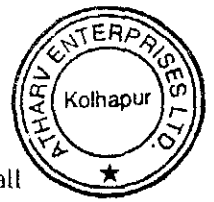




and also for the sale of the goods. During the course of our audit, we have not observed any major weaknesses in internal controls.

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. 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.
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.





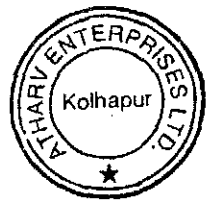
17. According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we are of the opinion that the company has not utilized any short term resources for investment in long term assets.
18. During the year, the Company has not made any preferential 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.

Place: Kolhapur
Date: 31.07.2010

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

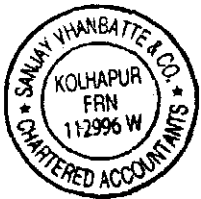


Sanjay M. Vhanbatte
Proprietor
M.NO.044808

**ATHARV ENTERPRISES LTD****BALANCE SHEET AS ON 31.03.2010**

| PARTICULARS | SCH.NO | AMOUNT | |
|--------------------------------------------|--------|-----------------------|-----------------------|
| | | 31.03.2010 | 31.03.2009 |
| SOURCES OF FUNDS | | | |
| L.SHAREHOLDERS FUNDS | | | |
| SHARE CAPITAL | 1 | 3,04,64,000.00 | 3,04,64,000.00 |
| 2. SECURED LOANS | 2 | 1,11,13,752.08 | 1,04,86,669.66 |
| 3. UNSECURED LOANS | 3 | 0.00 | 6,65,489.00 |
| 4. DEFERRED TAX LIABILITY | | 20,668.00 | 81,236.00 |
| | | 4,15,98,420.08 | 4,16,97,394.66 |
| APPLICATION OF FUNDS | | | |
| FIXED ASSETS | | | |
| Gross Block | 4 | 22,69,585.72 | 26,10,793.33 |
| Less: Depreciation | | 9,38,803.00 | 9,48,185.00 |
| | | 13,30,782.72 | 16,62,608.33 |
| INVESTMENTS | 5 | 41,19,659.70 | 42,78,147.85 |
| CURRENT ASSETS, LOANS AND ADVANCES | | | |
| Sundry Debtors | 6 | 53,10,993.70 | 86,27,330.10 |
| Inventory | 7 | 20,17,319.67 | 15,49,497.59 |
| Cash & Bank Balances | 8 | 8,82,541.61 | 6,99,843.05 |
| Loans and Advances | 9 | 2,66,41,405.14 | 2,47,84,527.47 |
| | | 3,48,52,260.12 | 3,56,61,198.21 |
| CURRENT LIABILITIES and PROVISIONS | 10 | 67,17,338.43 | 92,39,933.22 |
| NET CURRENT ASSETS | | 2,81,34,921.69 | 2,64,21,264.99 |
| MISCELLANEOUS EXPENSES & LOSSES | | | |
| Profit & Loss Account | 11 | 80,13,055.97 | 93,35,373.49 |
| | | 80,13,055.97 | 93,35,373.49 |
| | | 4,15,98,420.08 | 4,16,97,394.66 |
| Notes on Accounts | 23 | 0.00 | 0.00 |

As per our report of even date
For Sanjay Vhanbatte & Co.
 Chartered Accountants

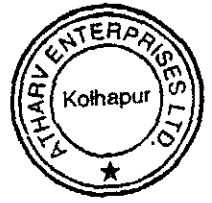


S. M. Vhanbatte
S. M. Vhanbatte
 Proprietor
 Kolhapur
 M. No. 044808
 Date: 31.07.2010

For and On Behalf of the Board of Directors
 of ATHARV ENTERPRISES LTD

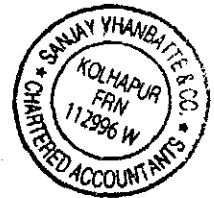
Pooja Jaju
Mrs. Pooja Jaju
 Director

Ritu Jaju
Mrs. Ritu Jaju
 Director



ATHARV ENTERPRISES LTD
Schedules to the Balance Sheet as at 31.03.2010

| PARTICULARS | AMOUNT 31.03.2010 | AMOUNT 31.03.2009 |
|------------------------------------------------------------|----------------------|----------------------|
| SCHEDULE NO.1 | | |
| SHARE CAPITAL | | |
| Authorised Capital | | |
| 32,50,000 Equity shares of Rs.10 each | 3,25,00,000.00 | 3,25,00,000.00 |
| Issued, subscribed & paid up capital | | |
| 30,46,500 (Previous Year 30,46,500) | | |
| Equity Shares of Rs.10/ each fully | 3,04,65,000.00 | 3,04,65,000.00 |
| Paid-up | | |
| Less: Calls in arrears | 1,000.00 | 1,000.00 |
| (Other than directors) | | |
| | 3,04,64,000.00 | 3,04,64,000.00 |
| SCHEDULE NO.2 | | |
| SECURED LOANS | | |
| Veershaiv Bank: Cash Credit | 20,20,575.00 | 14,63,900.00 |
| (Secured by Current Assets of the Company) | | |
| Yes Bank: Cash Credit | 5,22,787.96 | 0.00 |
| (Secured by Current Assets of the Company) | | |
| HDFC Bank- Car Loan | 4,13,637.23 | 5,73,365.95 |
| (Secured by SX-4) | | |
| HDFC Bank- Car Loan | 0.00 | 77,898.41 |
| (Secured by Maruti Esteem) | | |
| Citi Financial Services: Loan | 81,56,751.89 | 83,71,505.30 |
| (Secured by Personal Properties of Directors) | | |
| | 1,11,13,752.08 | 1,04,86,669.66 |
| SCHEDULE NO.3 | | |
| UNSECURED LOANS | | |
| Deposits from Directors | 0.00 | 2,39,489.00 |
| Deposits from Directors: Electricals Division | 0.00 | 30,000.00 |
| Deposits from Directors: Yarn Division | 0.00 | 3,96,000.00 |
| | 0.00 | 6,65,489.00 |
| SCHEDULE NO.6 | | |
| SUNDRY DEBTORS | | |
| (Unsecured , Considered good) | | |
| Debts outstanding for a period exceeding six months | | |
| YARN MARKETING DIVISION | 2,68,913.00 | 4,75,234.00 |
| ELECTRICALS DIVISION | 55,749.00 | 0.00 |
| Others | | |
| YARN MARKETING DIVISION | 35,35,499.00 | 76,31,951.00 |
| ELECTRICALS DIVISION | 14,50,832.70 | 5,20,145.10 |
| | 53,10,993.70 | 86,27,330.10 |



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ATHARV ENTERPRISES LTD

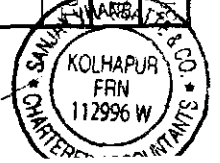
SCHEDULE NO.4

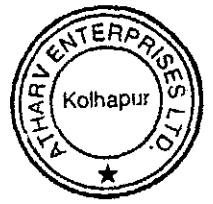
FIXED ASSETS AND DEPRECIATION AS ON 31.03.2010

| ASSETS | RATE OF DEPRE | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|------------------------|---------------|--------------------|---------------------------|-----------------------------|------------------------|------------------------|------------------------------|--------------|------------------------------------|----------------|------------------|
| | | COST ON 01.04.2009 | ADDITIONS DURING THE YEAR | ASSETS SOLD DURING THE YEAR | TOTAL AS ON 31.03.2010 | WRITTEN OFF 01.04.2009 | WRITTEN BACK DURING THE YEAR | FOR THE YEAR | TOTAL WRITTEN OFF UP TO 31.03.2010 | AS AT 01.04.09 | AS AT 31.03.2010 |
| Computer | 16.21% | 70760.00 | 24000.00 | 0.00 | 94760.00 | 70760.00 | 0.00 | 2445.00 | 73205.00 | 0.00 | 21555.00 |
| Furniture | 6.33% | 76041.00 | 0.00 | 0.00 | 76041.00 | 27803.00 | 0.00 | 4812.00 | 32615.00 | 48238.00 | 43426.00 |
| Ford Ikon car | 9.50% | 576900.00 | 0.00 | 0.00 | 576900.00 | 337691.00 | 0.00 | 54804.00 | 392495.00 | 239209.00 | 184405.00 |
| Car - Wagon R | 9.50% | 386866.00 | 0.00 | 0.00 | 386866.00 | 176103.00 | 0.00 | 36752.00 | 212855.00 | 210763.00 | 174011.00 |
| Car - Esteem | 9.50% | 524970.00 | 0.00 | 524970.00 | 0.00 | 209580.00 | 243837.00 | 34257.00 | 0.00 | 315390.00 | 0.00 |
| Office Equipment | 4.75% | 6300.00 | 63595.00 | 0.00 | 69895.00 | 4830.00 | 0.00 | 2973.00 | 7803.00 | 1470.00 | 62092.00 |
| Car - Maruti SX4 | 9.50% | 740409.00 | 0.00 | 0.00 | 740409.00 | 61473.00 | 0.00 | 70339.00 | 131812.00 | 678936.00 | 608597.00 |
| Electrical Instalation | 4.75% | 78814.00 | 0.00 | 0.00 | 78814.00 | 13820.00 | 0.00 | 3744.00 | 17564.00 | 64994.00 | 61250.00 |
| YARN DIVISION | | | | | | | | 210126.00 | | | |
| Furniture | 6.33% | 50189.00 | 0.00 | 0.00 | 50189.00 | 13297.00 | 0.00 | 3177.00 | 16474.00 | 36892.00 | 33715.00 |
| Computer / Software | 16.21% | 73288.78 | 69367.39 | 0.00 | 142656.17 | 29257.00 | 0.00 | 18967.00 | 48224.00 | 44031.78 | 94432.17 |
| Telephone / Mobile | 4.75% | 26255.55 | 26800.00 | 0.00 | 53055.55 | 3571.00 | 0.00 | 2185.00 | 5756.00 | 22684.55 | 47299.55 |
| TOTAL | | | | | | | | 24329.00 | | | |
| TOTAL | | | | | | | | | | | |
| TOTAL AS AT 31.03.2010 | | 2610793.33 | 183762.39 | 524970.00 | 2269585.72 | 948185.00 | 243837.00 | 234455.00 | 938803.00 | 1662608.33 | 1330782.72 |
| TOTAL AS AT 01.04.2009 | | 1845484.33 | 765309.00 | 0.00 | 2610793.33 | 720626.00 | 0.00 | 227559.00 | 948185.00 | 1124858.33 | 1662608.33 |

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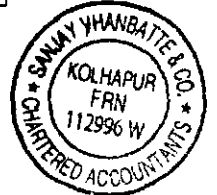
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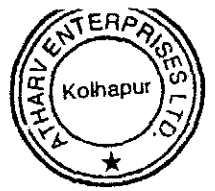




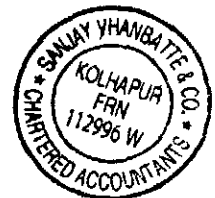
SCHEDULE NO. 5
INVESTMENTS

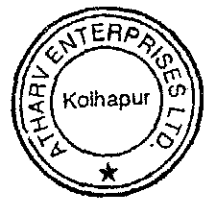
| | SHARES | RATE | COST | MARKET |
|-----------------------------------------------|----------|--------------|---------------------|---------------------|
| | 31.03.10 | 31.03.10 | 31.03.10 | VALUE |
| QUOTED LONG TERM INVESTMENTS (AT COST) | | | | |
| Vadilal Enterprises Ltd | 700 | 79.41 | 12,005.00 | 55,587.00 |
| Steel Authority of India Ltd | 1000 | 244.15 | 1,07,846.35 | 2,44,150.00 |
| Essar Steel Ltd | 500 | 29.38 | 14,689.35 | 14,689.35 |
| Ispat Industries Ltd(New) | 1000 | 19.20 | 35,084.34 | 19,200.00 |
| Tata Iron & Steel Co Ltd | 50 | 635.00 | 14,112.50 | 31,750.00 |
| NTPC Ltd | 225 | 203.00 | 27,957.00 | 45,675.00 |
| Monnet Ispat Ltd | 350 | 428.75 | 30,187.50 | 1,50,062.50 |
| Vakrangee Software Ltd | 500 | 99.80 | 40,325.00 | 49,900.00 |
| JSW Steels Ltd(JVSL-New) | 184 | 1,240.45 | 50,666.60 | 2,28,242.80 |
| PBA Infrastructure Ltd | 500 | 65.70 | 86,034.90 | 32,850.00 |
| Videocon Industries Ltd | 400 | 229.50 | 2,06,066.00 | 91,800.00 |
| Reliance Industries Ltd | 50 | 1,087.85 | 63,805.50 | 54,392.50 |
| GMR Industries Ltd | 155 | 62.35 | 55,760.00 | 9,664.25 |
| GMR Ferro Alloys Ltd | 95 | 102.70 | 34,175.00 | 9,756.50 |
| Ispat Industries Ltd(Pref) | 1200 | 10.00 | 12,000.00 | 12,000.00 |
| Silverline Technologies | 600 | 5.27 | 56,025.00 | 3,162.00 |
| Silverline Animation Technologies | 240 | 13.61 | 22,410.00 | 3,266.40 |
| Reliance Liquid Fund | 214.62 | 19.89 | 4,268.00 | 4,268.00 |
| | | TOTAL | 873418.04 | 1052881.90 |
| UNQUOTED LONG TERM INVESTMENT | | | | |
| Shubham Electrosteels Pvt Ltd | 11500 | 1 | 1,15,800.00 | 0.00 |
| Atharv Agencies Private Limited | | | 5,00,000.00 | 5,00,000.00 |
| Veershaiv Co-op Bank Ltd | | | 35,000.00 | 35,000.00 |
| | | TOTAL | 6,50,800.00 | 535000.00 |
| SHARE APPLICATION MONEY | | | | |
| Atharv Mines Pvt Limited | | | 31,202.00 | 31202.00 |
| Sunchemie Industries Pvt Ltd | | | 9,17,421.24 | 917421.24 |
| | | | 9,48,623.24 | 9,48,623.24 |
| Investment in Partnership Firms | | | | |
| Green Fuel Tech | | | 17,17,618.42 | 1717618.42 |
| Jai Mining Corporation | | | 40,000.00 | 40000.00 |
| | | | 17,57,618.42 | 17,57,618.42 |
| GOVERNMENT SECURITIES : NSC | | | | |
| | | | 5,000.00 | 5000.00 |
| | | TOTAL | 5,000.00 | 5000.00 |
| | | | 4235459.70 | 4299123.56 |
| | | | 4393947.85 | 3841860.89 |
| | | | 31.03.2010 | 31.03.2009 |
| Aggregate Value of quoted investments | | | 873418.04 | 878646.61 |
| Aggregate Value of unquoted investments | | | 3362041.66 | 3515301.24 |
| Aggregate Value of Application Money | | | 948623.24 | 1417421.24 |
| Market Value of quoted Investments | | | 1052881.90 | 442359.65 |



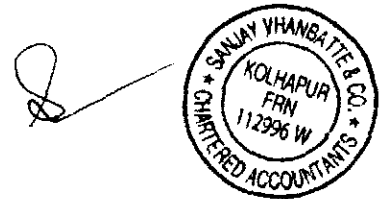


| PARTICULARS | AMOUNT 31.03.2010 | AMOUNT 31.03.2009 |
|-----------------------------------------------------------------------|----------------------|----------------------|
| SCHEDULE NO.7 | | |
| INVENTORY | | |
| YARN MARKETING DIVISION : YARN | 2,07,345.00 | 6,60,867.00 |
| ELECTRICALS DIVISION | 18,09,974.67 | 8,88,630.59 |
| | 20,17,319.67 | 15,49,497.59 |
| SCHEDULE NO.8 | | |
| CASH AND BANK BALANCES | | |
| Cash in hand | | |
| HEAD OFFICE | 1,90,661.43 | 890.43 |
| YARN MARKETING DIVISION | 83,049.34 | 1,163.84 |
| ELECTRICALS DIVISION | 1,09,965.82 | 4,758.00 |
| Balances with Scheduled Banks | | |
| HEAD OFFICE | 3,48,727.75 | 3,90,504.57 |
| YARN MARKETING DIVISION | 41,748.92 | 1,00,353.66 |
| ELECTRICALS DIVISION | 1,05,697.35 | 1,92,481.55 |
| Balances with Other Banks | | |
| YARN MARKETING DIVISION Veershaiv Bank, Ichal Branch | 2,691.00 | 9,691.00 |
| | 8,82,541.61 | 6,99,843.05 |
| SCHEDULE NO.9 | | |
| LOANS AND ADVANCES | | |
| (Unsecured and as adjusted for prov. Required on NPA) | | |
| Loans (See note 7 of Schedule 24B) | 1,96,24,345.00 | 2,08,99,082.00 |
| Less: NPA Provision | 0.00 | 0.00 |
| | 1,96,24,345.00 | 2,08,99,082.00 |
| Advance recoverable in cash or in kind or for value to be received | 11,09,835.50 | 20,02,221.11 |
| Advance : Patil Minerals | 31,50,000.00 | 0.00 |
| Advance : Expenses:Patil Minerals | 6,18,426.00 | 0.00 |
| Income Tax refund Receivable:2007-08 | 68,305.00 | 68,305.00 |
| Tax Deducted at Source: 09-10 | 3,98,858.00 | 0.00 |
| Tax Deducted at Source: 08-09 | 45,096.00 | 4,75,137.00 |
| Telephone Deposit | 6,000.00 | 6,000.00 |
| VAT refund | 53,826.20 | 0.00 |
| YARN MARKETING DIVISION | | |
| Advances to Suppliers | 6,25,887.44 | 2,06,037.44 |
| Deposit: BSNL | 2,000.00 | 2,000.00 |
| Deposit : NTC | 7,50,000.00 | 7,50,000.00 |
| Deposit : NTC: Interest Receivable | 52,138.00 | 0.00 |
| Tax Deducted at Source:2008-09 | 0.00 | 49,282.00 |
| Tax Deducted at Source:2009-10 | 38,913.00 | 0.00 |
| Loans and Advances: Atharv Agencies | 0.00 | 9,263.00 |
| Prepaid Insurance | 6,783.00 | 14,025.00 |
| Deposits: Mills | 68,283.00 | 2,04,276.00 |
| Dep.Rajsthan Rajya Sah Spin:Interest Receiv | 11,636.00 | 0.00 |
| ELECTRICALS DIVISION | | |
| Deposits | 10,000.00 | 10,000.00 |
| VAT Refund | 0.00 | 87,736.92 |
| Staff Advances | 1,073.00 | 1,162.00 |
| | 2,66,41,405.14 | 2,47,84,527.47 |





| PARTICULARS | AMOUNT | AMOUNT |
|-------------------------------------------|---------------------|---------------------|
| | 31.03.2010 | 31.03.2009 |
| SCHEDULE NO.10 | | |
| CURRENT LIABILITIES AND PROVISIONS | | |
| HEAD OFFICE | | |
| Sundry Creditors | 39,376.41 | 6,50,573.77 |
| Payable : Shubh Labh Mines | 10,000.00 | 0.00 |
| Sales Tax Payable | 48,814.00 | -3,663.60 |
| Provisions | 82,587.87 | 1,74,531.48 |
| YARN MARKETING DIVISION | | |
| Sundry Creditors | 53,84,088.84 | 69,46,788.16 |
| Sundry Debtors with Credit Balances | 585.00 | 0.00 |
| Payable on Credit Cards | 21,152.51 | 0.00 |
| Brokers Commission Payable | 54,567.00 | 1,41,951.00 |
| Sales Tax Payable | 756.00 | 29,505.01 |
| TDS Collected and Payable | 1,05,980.00 | 0.00 |
| Provisions | 8,879.00 | 24,220.08 |
| ELECTRICALS DIVISION | | |
| Employee Deposits | 2,100.00 | 0.00 |
| Sundry Creditors: | 4,42,688.08 | 7,66,405.32 |
| Sundry Debtors with Credit Balances | 1,01,670.10 | 0.00 |
| Sundry Creditors for Expenses | 4,549.00 | 11,164.00 |
| Salary Payable:Nisha Palankar | 0.00 | 1,458.00 |
| CST Payable | 1,174.62 | 0.00 |
| TDS Payable | 6,345.00 | 0.00 |
| HDFC Credit Card Payable | 0.00 | 1,000.00 |
| SUSPENSE:UNEXPLAINED CREDIT IN BANK | 5,880.00 | 0.00 |
| Provisions | 1,145.00 | 0.00 |
| | 63,22,338.43 | 87,43,933.22 |
| PROVISIONS FOR TAXATION | | |
| For Current Taxation (Income Tax) | 3,95,000.00 | 4,50,000.00 |
| For FBT | 0.00 | 46,000.00 |
| | 3,95,000.00 | 4,96,000.00 |
| TOTAL | 67,17,338.43 | 92,39,933.22 |
| SCHEDULE NO.11 | | |
| Profit & Loss Account | 80,13,055.97 | 93,35,373.49 |
| | 80,13,055.97 | 93,35,373.49 |



**ATHARV ENTERPRISES LTD****PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010**

| PARTICULARS | SCH.NO | AMOUNT | |
|---------------------------------|--------|--------------|--------------|
| | | 31.03.2010 | 31.03.2009 |
| SALES | | 0.00 | 9,61,179.60 |
| INCOME | 12 | 33,25,865.91 | 22,79,217.75 |
| | | 33,25,865.91 | 32,40,397.35 |
| EXPENDITURE | | | |
| Purchases | | 0.00 | 8,80,180.00 |
| Administrative & Other Expenses | 13 | 12,57,861.47 | 8,75,230.14 |
| Depreciation | 4 | 2,10,126.00 | 2,11,410.00 |
| | | 14,67,987.47 | 19,66,820.14 |
| PROFIT (LOSS) BEFORE INTEREST | | 18,57,878.44 | 12,73,577.21 |
| Finance Expenses | 14 | 10,44,849.67 | 9,07,900.29 |
| PROFIT (LOSS) BEFORE TAX | | 8,13,028.77 | 3,65,676.92 |

As per our report of even date

For Sanjay Vhanbatte & Co.
Chartered Accountants

S. M. Vhanbatte
S. M. Vhanbatte
Kolhapur
Proprietor
DA: No 7-044808

For and On Behalf of the Board of Directors
of ATHARV ENTERPRISES LTD

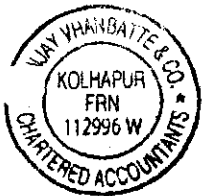
Pooja Jaju
Mrs. Pooja Jaju
Director

Ritu Jaju
Mrs. Ritu Jaju
Director

**ATHARV ENTERPRISES LTD****PROFIT & LOSS APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31.03.2010**

| PARTICULARS | SCH.NO | AMOUNT | |
|------------------------------------------------------------------|--------|---------------|-----------------|
| | | 31.03.2010 | 31.03.2009 |
| PROFIT(LOSS)FINANCE/INV DIVISION | | 8,13,028.77 | 3,65,676.92 |
| PROFIT (LOSS): YARN DIVISION | | 6,12,063.41 | 8,29,890.26 |
| PROFIT (LOSS): HAVELS DIVISION | | 5,18,174.34 | 95,852.84 |
| Less:Extra Ordinary Expenses | | -2,80,000.00 | 0.00 |
| Less:PRIOR PERIOD EXPENSES | 19 | -6,517.00 | -12,500.00 |
| TOTAL | | 16,56,749.52 | 12,78,920.02 |
| PROVISION :CURRENT INCOME TAX | | 3,95,000.00 | 4,50,000.00 |
| PROVISION :DEFERRED TAX | | -60,568.00 | 7,422.00 |
| PROVISION :FRINGE BENEFIT TAX | | 0.00 | 46,000.00 |
| PROFIT AFTER TAX | | 13,22,317.52 | 7,75,498.02 |
| Add:Excess Income Tax Provision for Earlier Year written back | | 0.00 | 12,073.40 |
| | | 13,22,317.52 | 7,87,571.42 |
| Balance brought forward from Earlier Years | | -93,35,373.49 | -1,01,22,944.91 |
| Balance carried over to Balance Sheet | | -80,13,055.97 | -93,35,373.49 |

As per our report of even date
For Sanjay Vhanbatte & Co.
Chartered Accountants

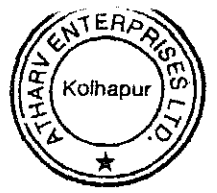


S. M. Vhanbatte
Proprietor
Kolhapur
M. No. 044808
Date: 31.07.2010

For and On Behalf of the Board of Directors
of ATHARV ENTERPRISES LTD

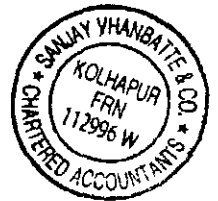
Pooja Jaju
Mrs. Pooja Jaju
Director

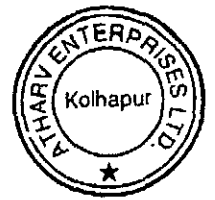
Ritu Jaju
Mrs. Ritu Jaju
Director

**ATHARV ENTERPRISES LTD**

Schedules to the Profit & Loss Account for the Year ending on 31.03.2010

| PARTICULARS | AMOUNT | AMOUNT |
|------------------------------------------------------|--------------|--------------|
| | 31.03.2010 | 31.03.2009 |
| SCHEDULE NO.12 | | |
| RECEIPTS | | |
| Finance Income | 27,03,060.00 | 23,14,158.00 |
| (TDS Rs.475137/- Prev. Yr Rs.111339/-) | | |
| Dividends (Gross) | 5,473.60 | 18,217.25 |
| Profit (Loss) on Trading in shares | -10,842.11 | 1,68,043.46 |
| Short Term Capital Gains (Loss) in Shares | 136.00 | 46,123.60 |
| Long Term Capital Gains (Loss) in Shares | 0.00 | -3,78,875.06 |
| Profit from Investment in Mutual Fund | 0.00 | 4,470.50 |
| Share of Profit from Green Fuel Tech | 6,28,038.42 | 1,07,080.00 |
| | 33,25,865.91 | 22,79,217.75 |
| SCHEDULE NO.13 | | |
| ADMINISTRATIVE & OTHER EXPENSES | | |
| 1. Payments to & Provisions for Employees Sal | 2,72,743.00 | 2,62,784.00 |
| 2. Administrative and Other Expenses | | |
| Audit Fees | 33,000.00 | 0.00 |
| (see Note 5 of Schedule 23) | | |
| Advertisement Expenses | 0.00 | 5,000.00 |
| Bank Charges/Commission | 0.00 | 380.72 |
| Charity & Donations | 12,351.00 | 0.00 |
| Club Fees | 9,200.00 | 0.00 |
| Computer Expenses | 12,830.00 | 9,814.00 |
| Sales Tax Paid | 0.00 | 6,142.00 |
| Conveyance | 67,182.38 | 44,988.49 |
| Demat Expenses | 0.00 | 26,352.20 |
| Directors Remuneration/Perquisites | 2,28,090.00 | 74,520.00 |
| Director Sitting Fees | 17,000.00 | 21,000.00 |
| Electricity Charges | 11,610.00 | 26,920.00 |
| General Office Expenses | 27,591.40 | 22,744.00 |
| Insurance | 24,240.50 | 39,180.00 |
| Listing Fees | 45,004.00 | 0.00 |
| Membership Fees | 1,800.00 | 0.00 |
| Postage & Telegram | 4,531.00 | 17,553.00 |
| Printing & Stationery | 33,067.00 | 7,662.32 |
| Professional Fees | 7,500.00 | 4,900.00 |
| Secretarial Audit Fees | 20,000.00 | 20,000.00 |
| ROC Expenses | 0.00 | 51,352.29 |
| Telephone Expenses | 79,552.20 | 17,079.24 |
| Travelling and Conveyance | 51,029.67 | 86,260.34 |
| (Incl directors Rs. Nil, Previous Year Rs. 28328.47) | | |
| Vehicle Repairs & Maintenance | 29,333.00 | 33,305.00 |
| STT Paid on shares | 0.00 | 208.00 |
| Service and Other Taxes | 162.86 | 7,277.81 |
| Loss on Sale of Vehicle | 2,26,133.00 | 0.00 |
| Loan Processing fees & stamp Duty | 15,000.00 | 89,760.00 |
| Sales Tax Set Off Reversed | 28,910.46 | 0.00 |
| Sundry Balance Written off | 0.00 | 46.73 |
| | 12,57,861.47 | 8,75,230.14 |
| SCHEDULE NO.14 | | |
| FINANCE EXPENSES | | |
| Interest on Bank Loans | 10,44,849.67 | 9,07,900.29 |
| | 10,44,849.67 | 9,07,900.29 |

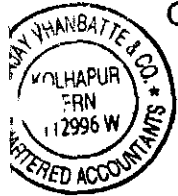


**ATHARV ENTERPRISES LTD****YARN MARKETING DIVISION****PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010**

| PARTICULARS | SCH.NO | AMOUNT | AMOUNT |
|-----------------------------------------------------------|--------|----------------|----------------|
| | | 31.03.2010 | 31.03.2009 |
| INCOME | | | |
| Sales | | 4,40,44,470.86 | 3,79,96,439.47 |
| Other Income | 15 | 5,04,836.00 | 6,73,390.25 |
| | | 4,45,49,306.86 | 3,86,69,829.72 |
| EXPENDITURE | | | |
| COST OF YARN SOLD | 16 | 4,14,73,452.67 | 3,63,69,167.47 |
| Administrative & Other Expenses | 17 | 21,72,225.48 | 12,81,635.57 |
| Depreciation | 4 | 24,329.00 | 16,149.00 |
| Finance Expenses | 18 | 2,67,236.30 | 1,72,987.42 |
| | | 4,39,37,243.45 | 3,78,39,939.46 |
| PROFIT(LOSS) TRANSFERRED TO MAIN P & L A/C | | 6,12,063.41 | 8,29,890.26 |
| Notes on Accounts | 23 | | |

As per our report of even date

For Sanjay Vhanbatte & Co. Chartered Accountants

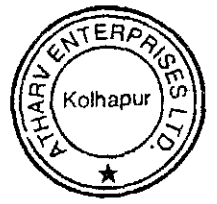


S. M. Vhanbatte
Proprietor
M. No. 044808
Date: 31.07.2010

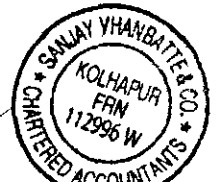
For and On Behalf of the Board of Directors
of ATHARV ENTERPRISES LTD

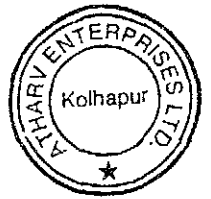
Mrs. Pooja Jaju
Director

Mrs. Ritu Jaju
Director

**ATHARV ENTERPRISES LTD****YARN MARKETING DIVISION****Schedules to the Profit & Loss Account for the Year ending on 31.03.2010**

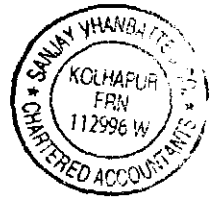
| PARTICULARS | AMOUNT | AMOUNT |
|--------------------------------------------|----------------|----------------|
| | 31.03.2010 | 31.03.2009 |
| SCHEDULE NO.15 | | |
| OTHER INCOME | | |
| Commission on Yarn sales | 2,50,247.00 | 4,13,189.00 |
| Bank Commission/Hamali Recovered | 5,343.00 | 21,000.00 |
| Sundry Balances written Back | 2,427.00 | 0.00 |
| Interest Received | 74,956.00 | 1,15,757.25 |
| Rate Difference | 2,619.00 | 8,723.00 |
| Hamali Reimbursement | 0.00 | 6,024.00 |
| Credit Extended | 0.00 | 250.00 |
| Dividend | 0.00 | 7,000.00 |
| Interest on Late Payments | 1,69,244.00 | 1,01,447.00 |
| | 5,04,836.00 | 6,73,390.25 |
| SCHEDULE NO.16 | | |
| COSTS OF GOODS SOLD | | |
| Opening Stock of Yarn | 6,60,867.00 | 8,90,913.00 |
| Purchases of Yarn | 4,10,02,376.67 | 3,61,25,011.47 |
| Freight Expenses on Purchases | 17,554.00 | 14,110.00 |
| | 4,16,80,797.67 | 3,70,30,034.47 |
| Less: Closing stock of Yarn | 2,07,345.00 | 6,60,867.00 |
| | 4,14,73,452.67 | 3,63,69,167.47 |
| SCHEDULE NO.17 | | |
| ADMINISTRATIVE & OTHER EXPENSES | | |
| Advertisements | 0.00 | 700.00 |
| Audit Fees (see Note 5 of Schedule 23) | 0.00 | 33,090.00 |
| Bad Debts | 0.00 | 2,79,084.00 |
| Broker Commission | 11,35,529.00 | 1,45,300.00 |
| Computer Expenses | 14,510.00 | 2,120.00 |
| Conveyance | 73,587.36 | 84,311.86 |
| Diwali Bonus | 20,000.00 | 15,121.00 |
| Donation | 0.00 | 101.00 |
| Director Remuneration | 2,25,000.00 | 1,50,000.00 |
| General Office Expenses | 32,272.00 | 20,881.01 |
| Insurance Charges | 14,025.00 | 22,108.00 |
| License & Registration Fees | 900.00 | 412.00 |
| Membership & Subscription Fees | 7,100.00 | 5,300.00 |
| Office Rent | 1,20,000.00 | 84,000.00 |
| Postage & Courier | 1,588.00 | 1,477.00 |
| Printing & Stationery/Xerox | 3,595.00 | 8,992.20 |
| Professional Fees | 10,400.00 | 7,500.00 |
| Rate Difference | 23,228.00 | 0.00 |
| Salary Paid | 3,44,915.00 | 2,17,231.00 |
| Sales Tax | 0.00 | 160.00 |
| Sundry Balances Written Off | 0.00 | 445.00 |
| Telephone & Fax Expenses | 33,910.25 | 35,779.00 |
| Testing / Lab Charges | 760.00 | 22,010.00 |
| Travelling Expenses:Directors | 94,189.37 | 95,992.92 |
| Vehicle Expenses | 11,494.00 | 33,095.58 |
| Warehousing Charges | 2,130.00 | 16,424.00 |
| TDS WRITTEN OFF | 3,092.50 | 0.00 |
| | 21,72,225.48 | 12,81,635.57 |

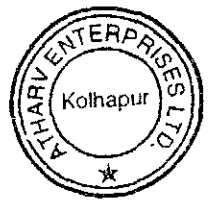




| PARTICULARS | AMOUNT | AMOUNT |
|------------------------------|-------------|-------------|
| | 31.03.2010 | 31.03.2009 |
| SCHEDULE NO.18 | | |
| Finance Expenses | | |
| Interest to Bank | 2,19,636.00 | 1,72,217.42 |
| Bank Charges | 47,600.30 | 770.00 |
| | 2,67,236.30 | 1,72,987.42 |
| SCHEDULE NO.19 | | |
| Prior Period Expenses | | |
| Membership Fees | 0.00 | 5,000.00 |
| Office Rent | 1,890.00 | 0.00 |
| Electricity Charges | 750.00 | 0.00 |
| Telephone Charges | 3,877.00 | 0.00 |
| Professional Fees | 0.00 | 7,500.00 |
| | 6,517.00 | 12,500.00 |
| Less: Prior Period Income | 0.00 | 0.00 |
| Net Prior Period Expenses | 6,517.00 | 12,500.00 |

2

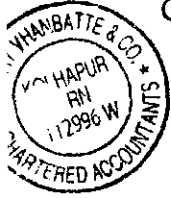


**ATHARV ENTERPRISES LTD****ELECTRICALS DIVISION****PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010**

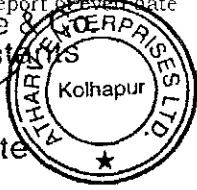
| PARTICULARS | SCH.NO | AMOUNT | |
|------------------------------------------------|--------|--------------|--------------|
| | | 31.03.2010 | 31.03.2009 |
| INCOME | | | |
| Sales | | 82,52,264.82 | 23,65,591.82 |
| Other Income | 20 | 4,18,461.55 | 1,33,119.72 |
| | | 86,70,726.37 | 24,98,711.54 |
| EXPENDITURE | | | |
| COST OF Goods sold | 21 | 74,68,793.47 | 21,78,593.69 |
| Administrative Expenses | 22 | 1,81,494.24 | 91,902.02 |
| Marketing Expenses | 22 | 1,84,670.36 | 44,091.00 |
| Employee Costs | 22 | 3,11,172.00 | 87,321.99 |
| Finance Expenses | 22 | 6,421.96 | 950.00 |
| Depreciation | 3 | 0.00 | 0.00 |
| | | 81,52,552.03 | 24,02,858.70 |
| PROFIT/(LOSS) TRANSFERRED TO MAIN P & L A/C | | 5,18,174.34 | 95,852.84 |
| Notes on Accounts | 23 | | |

As per our report of even date
For Sanjay Vhanbatte &
Chartered Accountants

For and On Behalf of the Board of Directors
of ATHARV ENTERPRISES LTD

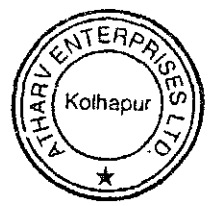


S. M. Vhanbatte
Proprietor
M. No. 044808
Date: 31.07.2010



Booja Jaju
Mrs. Booja Jaju
Director

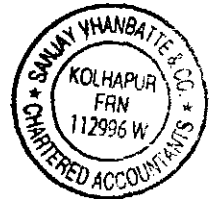
Ritu Jaju
Mrs. Ritu Jaju
Director

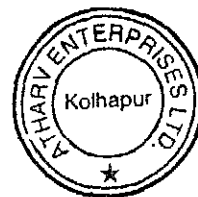


ATHARV ENTERPRISES LTD
ELECTRICALS DIVISION

Schedules to the Profit & Loss Account for the Year ending on 31.03.2010


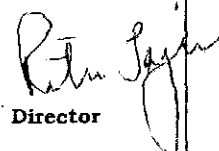
| PARTICULARS | AMOUNT | AMOUNT |
|------------------------------------------|--------------|--------------|
| | 31.03.2010 | 31.03.2009 |
| SCHEDULE NO.20 | | |
| OTHER INCOME | | |
| Rate Difference/Spl Discount | 51,218.38 | 53,923.05 |
| Return/ Replacement Discount | | 28,000.00 |
| Cash Discount | 99,905.91 | |
| Turnover Discount | 2,67,337.26 | 51,196.67 |
| | 4,18,461.55 | 1,33,119.72 |
| SCHEDULE NO.21 | | |
| COSTS OF GOODS SOLD | | |
| Opening Stock | 8,88,630.59 | 0.00 |
| Purchases | 83,90,137.55 | 30,67,224.28 |
| | 92,78,768.14 | 30,67,224.28 |
| Less: Closing stock | 18,09,974.67 | 8,88,630.59 |
| | 74,68,793.47 | 21,78,593.69 |
| SCHEDULE NO.22 | | |
| ADMINISTRATIVE AND OTHER EXPENSES | | |
| Advertisements | 7,371.00 | 8,597.00 |
| Bad Debts | 450.00 | 0.00 |
| Cash Discount | 28,524.00 | 1,931.90 |
| Computer Expenses | 250.00 | 0.00 |
| Diwali Gifts | 1,852.00 | 0.00 |
| Electricity Charges | 0.00 | 2,222.00 |
| General Office Expenses | 13,380.00 | 3,983.00 |
| Octroi Paid | 2,177.00 | 0.00 |
| Postage & Courier | 1,819.00 | 536.00 |
| Printing & Stationery/Xerox | 10,959.00 | 13,630.00 |
| Rent | 63,000.00 | 30,000.00 |
| Rent/Society/Taxes-Godown | 36,629.50 | 16,919.00 |
| Rounding Off | 75.87 | 54.12 |
| Tea/Coffee/Cold Drinks | 461.00 | 0.00 |
| Telephone & Fax Expenses | 9,218.87 | 10,051.00 |
| Transportation & Hamali | 5,143.00 | 3,978.00 |
| Vehicle Repairs and Maintenance | 184.00 | 0.00 |
| | 1,81,494.24 | 91,902.02 |
| EMPLOYEE COST | | |
| Staff Salary | 3,02,459.00 | 66,025.99 |
| Tea Allowance | 3,233.00 | 1,262.00 |
| Dearness Allowance | 3,720.00 | 8,123.00 |
| Employee Conveyance Allowance | 1,760.00 | 11,911.00 |
| | 3,11,172.00 | 87,321.99 |
| MARKETING EXPENSES | | |
| Travelling /Conveyance | 68,960.36 | 36,791.00 |
| Commission/Brokerage | 67,132.00 | 350.00 |
| Incentive Under sales scheme | 48,578.00 | 6,950.00 |
| | 1,84,670.36 | 44,091.00 |
| FINANCE EXPENSES | | |
| Bank Charges | 3,377.00 | 950.00 |
| Interest on Bank Loans | 3,044.96 | 0.00 |
| | 6,421.96 | 950.00 |
| | 6,83,758.56 | 2,24,265.01 |

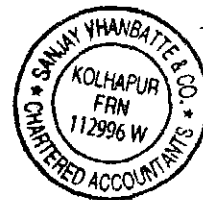


**ATHARV ENTERPRISES LTD**

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 2010 |
| 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 | |
| | (Amt in Rs.Thousand) |
| Total Liabilities | 48,316 |
| Total Assets | 48,316 |
| Sources of Funds | |
| Paid up Capital | 30,464 |
| Deferred Tax Liability | 21 |
| Reserves & Surpluses | NIL |
| Secured Loans | 11,114 |
| Unsecured Loans | 0 |
| | 41,598 |
| Application of Funds | |
| Net Fixed Assets | 1,331 |
| Investments | 4,120 |
| Net Current Assets | 28,135 |
| Miscellaneous Expenditure | NIL |
| Accumulated Losses | 8,013 |
| | 41,598 |
| IV Performance of the Company | |
| Turnover (Including Other Income) | 4,78,752 |
| Total Expenditure | 4,77,429 |
| Net Profit | 1,322 |
| Earning Per Share | 0.43 |
| Dividend Rate (%) | NIL |
| V Generic Names of Principal Products/Services of the Company | |
| (As per Monetary Terms) | |
| <u>Product Description</u> | <u>Item Code No.(ITC Code)</u> |
| i. Financing | Not Applicable |
| ii. Investments | Not Applicable |
| iii. Trading Yarn/Electrical Items | Not Applicable |
| Kolhapur | |
| Date: 31.07.2010 | |
|  |  |
| Director | Director |

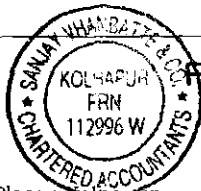




CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

Amount in Rs.

| PARTICULARS | For the Year ended 31.03.2010 | | For the Year ended 31.03.2009 | |
|------------------------------------------------------------------------|-------------------------------|---------------------|-------------------------------|----------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit(Loss) before tax and Extra Ordinary Items | | 16,56,749.52 | | 12,78,920.02 |
| Adjustment for: | | | | |
| Depreciation | 2,34,455.00 | | 2,27,559.00 | |
| Dividend | -5,473.60 | | 18,217.25 | |
| Profit(Loss) on sale of Investments | 10,706.11 | | 1,64,708.00 | |
| Profit (Loss) on Sale of Other Assets | 2,26,133.00 | | 0.00 | |
| Share of Profit from Green Fuel Tech | -6,28,038.42 | | -1,07,080.00 | |
| Interest Income (Expenses) : NET | -3,46,124.36 | 5,08,342.27 | -12,33,270.29 | -9,66,300.54 |
| Operating Profit before Working Capital Changes | | 11,48,407.25 | | 3,12,619.48 |
| Adjustment for: | | | | |
| Reduction In Inventory | -4,67,822.08 | | 6,58,584.59 | |
| Trade Receivables | 33,16,336.40 | | 46,95,558.25 | |
| Other Receivables | -18,56,877.67 | | -69,82,019.20 | |
| Trade Payable | -25,22,594.79 | -15,30,958.14 | 62,71,661.60 | -60,64,500.44 |
| Cash Generated from Operations | | -3,82,550.89 | | -57,51,880.96 |
| Direct Taxes Refund/(Paid) | | -3,95,000.00 | | -4,83,926.60 |
| Cash Flow before Extraordinary Items | | -7,77,550.89 | | -62,35,807.56 |
| Extraordinary Items | | 0.00 | | 0.00 |
| NET CASH FROM/(USED IN) OPERATING ACTIVITIES | A | -7,77,550.89 | A | -62,35,807.56 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Sale (Purchase) of Fixed Assers:NET | | 1,28,762.39 | | -7,65,309.00 |
| Sale/(Purchase)of investments: Net | | 1,58,488.15 | | -24,87,781.54 |
| Sale of Other Assets | | 0.00 | | 0.00 |
| Share of Profit from Green Fuel Tech | | 6,28,038.42 | | 1,07,080.00 |
| Dividends | | 5,473.60 | | 18,217.25 |
| Profit/(Loss) on Sale of Investment | | -10,706.11 | | -1,64,708.00 |
| NET CASH FROM/(USED IN) INVESTING ACTIVITIES | B | 6,52,531.67 | B | -32,92,501.29 |
| C. CASH FLOW FROM FINANCE ACTIVITIES | | | | |
| Proceeds from Issue of Share Capital | | 0.00 | | 0.00 |
| Proceeds from Long Term Borrowings | | 70,407.42 | | 77,70,933.77 |
| Proceeds from Short Term Borrowings | | 1,08,814.00 | | -9,52,678.00 |
| Interest Income (Expenses):NET | | 3,46,124.36 | | 12,33,270.29 |
| NET CASH FROM/(USED IN) FINANCE ACTIVITIES | C | 3,07,717.78 | C | 80,51,526.06 |
| NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C) | | 1,82,698.56 | | -14,76,782.79 |
| OPENING BALANCE OF CASH AND CASH EQUIVALENTS | | 6,99,843.05 | | 21,76,625.84 |
| CLOSING BALANCE OF CASH AND CASH EQUIVALENTS | | 8,82,541.61 | | 6,99,843.05 |

Place : Kolhapur
Date : 31.07.2010For Sanjay Vhanbatte & Co.
Chartered AccountantsS. M. Vhanbatte
Proprietor
M. No. 044808On behalf of the Board,
For ATHARV ENTERPRISES LIMITED,

Ritu Jaju

Ritu Jaju
Director

Pooja Jaju

Pooja Jaju
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.

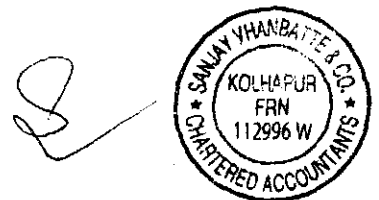
Also Long term unquoted investments in shares of co-operative banks or Government Securities have been valued at cost:

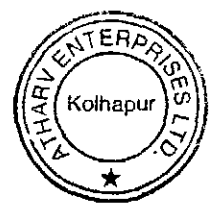
- II) Investment cost include the brokerage and other related expenses. Profit / Loss on sale of investment are taken into account at the time of sale of investment.

5. INVENTORIES

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

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

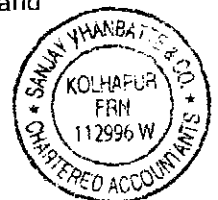
13. IMPAIRMENT OF ASSETS

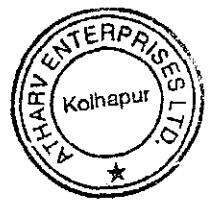
Impairment is ascertained at each balance sheet date in respect of Cash Generating Units. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable value. The recoverable amount is the greater of the net selling price and value in use. In assessing the value in 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

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its volume of business. The company has no liability towards retirement benefits as on 31.03.2010.

(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 : Rs.50.00 Lakhs in Respect of contracts remaining to be executed. (Previous Year : NIL)
3. There is no liability in respect of respect of retirement benefits as on 31.03.2010.
4. The company has entered into an MOU with M/s Patil Minerals, a proprietary concern securing mining rights of silica sand subject to approval from Government Authorities. Advances to the extent of Rs.31.50 Lakhs and expenses incurred to the extent of Rs.6,18,426 paid in terms of the MOU to M/s Patil Minerals, being adjustable against the 'mining usage charges' payable to them after commencement of mining of silica sand have been stated under loans and advances. Advances paid directly to M/s Patil Minerals by others in terms of the MOU have not been recorded in the books of the company. The amounts unpaid as at 31.03.2010 under the MOU have been treated as contingent liability.
5. Auditor's Remuneration

| | <u>Current Year Rs.</u> | <u>Previous Year Rs.</u> |
|---------------------|-------------------------|--------------------------|
| Audit fees | 15,000.00 | 25,000.00 |
| Income Tax Matters | 5,000.00 | 5,000.00 |
| Internal Audit Fees | 13,000.00 | - |
| Total | <u>33,000.00</u> | <u>30,000.00</u> |

(Excluding Service Tax Payable there on)

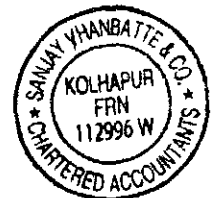
6. DEFERRED TAX

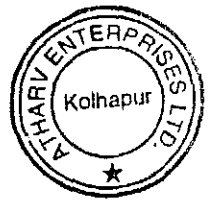
In view of the uncertainty attached with the future profitability of the Company and lack of any convincing evidence that sufficient future taxable income would be available, company has decided not to recognise any Deferred Tax Asset in respect of the timing differences outstanding at the beginning 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 | 2009-2010 | 2008-2009 |
|---------------------------------------------------|---------------|---------------|
| Deferred Tax Liability In respect of fixed assets | <u>20,668</u> | <u>81,236</u> |
| | <u>20,668</u> | <u>81,236</u> |

8





7. EARNING PER SHARE

| | |
|---------------------------------------------------------------------------------------------|----------------|
| i. Profit After Tax | Rs.13,22,318/- |
| 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. 0.43 |

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

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

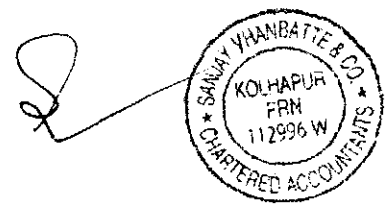
10. Quantitative details of goods traded :

i. FOR THE YEAR ENDING 31.03.2010

| SR NO | PARTICULARS | UNIT | OPNING STOCK | PURCHASES | SALES | CLOSING STOCK |
|-------|---------------------|---------|--------------|-----------|---------|---------------|
| 1 | YARN | KG | 6,171 | 340,518 | 345,195 | 1,494 |
| 2 | FANS | NUMBERS | 279 | 3878 | 3503 | 654 |
| 3 | Switches | NUMBERS | 717 | 2778 | 3270 | 225 |
| 4 | Lights & Luminaries | NUMBERS | 3369 | 60382 | 55850 | 7973 |
| 5 | Pointers | NUMBERS | 0 | 2267 | 588 | 1679 |

ii. FOR THE YEAR ENDING 31.03.2009

| SR NO | PARTICULARS | UNIT | OPENING STOCK | PURCHASES | SALES | CLOSING STOCK |
|-------|---------------------|---------|---------------|-----------|--------|---------------|
| 1 | YARN | KG | 8951 | 388473 | 391253 | 6171 |
| 2 | FANS | NUMBERS | 0 | 1429 | 1160 | 269 |
| 3 | Switches | NUMBERS | 0 | 1536 | 819 | 717 |
| 4 | Lights & Luminaries | NUMBERS | 0 | 15677 | 3308 | 12369 |





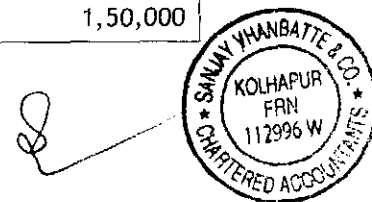
11. Disclosure in accordance with AS 18 "Related Party Disclosures"

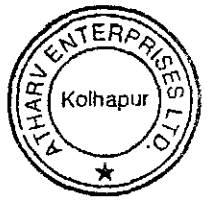
FOR THE YEAR ENDING 31.03.2010

| | Associates | Key Management Personnel | Relative of Key Management Personnel | TOTAL |
|-----------------------------------------------------|-----------------|--------------------------|--------------------------------------|------------|
| Expenditure on Services | NIL | 3,31,090 | 1,50,000 | 4,81,090 |
| FINANCE | | | | |
| Equity 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 |

FOR THE YEAR ENDING 31.03.2009

| | Associates | Key Management Personnel | Relative of Key Management Personnel | TOTAL |
|-----------------------------------------------------|------------|--------------------------|--------------------------------------|-----------|
| Expenditure on Services | NIL | 2,45,500 | 1,50,000 | 3,95,500 |
| FINANCE | | | | |
| Equity Contribution Outstanding as at the year end. | 33,68,221 | NIL | NIL | 33,68,221 |
| ADVANCES MADE | 9,91,091 | NIL | NIL | NIL |
| ADVANCES RECOVERED | 44,86,913 | NIL | NIL | 44,86,913 |
| ADVANCES TAKEN | NIL | 3,71,000 | NIL | 3,71,000 |
| ADVANCES REPAID | NIL | 150000 | NIL | 1,50,000 |





| OUTSTANDING BALANCES | | | | |
|---------------------------|-----------|----------|-----|-----------|
| ADVANCES GIVEN | 20,57,322 | NIL | NIL | 20,57,322 |
| ADVANCES TAKEN | NIL | 6,65,489 | NIL | 6,65,489 |
| SALE OF GOODS | NIL | NIL | NIL | NIL |
| PURCHASES | 3,46,940 | NIL | NIL | 3,46,940 |
| RENT PAID | 46919 | NIL | NIL | 46919 |
| INTEREST ON LOAN RECEIVED | 13,18,859 | NIL | NIL | 13,18,859 |

NOTE : Name of related parties and description of relationship :

1. Associates :-

Shubham Electrosteels Pvt.Ltd
 Jai Enterprises
 Atharv Agencies Private Limited
 Jai Mining Corporation
 Sunchemie
 Green Fuel Tech
 Sunchemie Industries Private Limited, Sri Lanka
 Shubh Labh Mines

2. Key Management Personnel :-

Mrs. Ritu N Jaju
 Mrs. Pooja Jaju

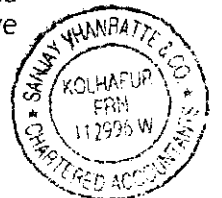
3. Relatives of Key Management personnel

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

12. 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.

- 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"
- 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.
13. 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."
14. 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 31.03.2010 | Balance 31.03.2009 |
|--------------------------------------|-----------------------|-----------------------|
| Shubham Electrosteels Pvt Ltd | 1,15,800 | 1,15,800 |
| Atharv Agencies Private Limited | 5,00,000 | 5,00,000 |
| Atharv Mines Pvt Limited | 31,202 | 31,202 |
| Sunchemie Industries Pvt Ltd | 9,17,421 | 9,17,421 |
| Green Fuel Tech | 17,17,618 | 18,62,080 |
| Jai Mining Corporation | 40,000 | 40,000 |

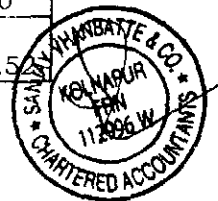
15. Managerial Remuneration paid to Whole Time Directors

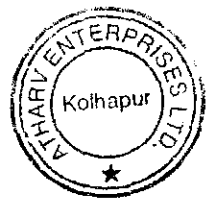
| PARTICULARS | 31.03.2010 | 31.03.2009 |
|----------------------------|------------|------------|
| Salaries Paid To Directors | 4,05,000 | 3,18,000 |
| Perquisites to Directors | 48,090 | 26,520 |

16.

COMPUTATION OF NET PROFIT in accordance with Section 309(5) of the Companies Act, 1956 for the year ended 31.03.2010

| PARTICULARS | 31.03.2010 | 31.03.2009 |
|-------------------------------------------------------------------------------------|--------------|--------------|
| Profit Before Tax and after Exceptional Items as per Profit and Loss Account | 1,656,749.52 | 1,278,920.02 |
| Add: | | |
| Depreciation Charged in the Accounts | 234,455.00 | 227,559.00 |
| Loss on sale of assets as per Section 349 of the Companies Act, 1956 | 226,133.00 | - |
| Directors' Remuneration | 321,090.00 | 331,090.00 |
| Provision for Doubtful Debts and Advances | - | - |
| Net Reduction in fair value of current Invt | - | - |
| Loss on sale of Investments | 10,706.11 | 160,237.50 |
| | 2,449,133.63 | 1,997,806.52 |
| 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 | 234,455.00 | 227,559.00 |
| TOTAL | 460,588.00 | 227,559.00 |
| | 1,988,545.63 | 1,770,247.52 |



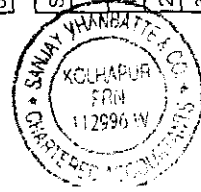


ATHARV ENTERPRISES LTD. Annual accounts FY 2009-10
ATHARV ENTERPRISES LTD

SEGMENT REPORTING

| PARTICULARS | TRADING: YARN | | TRADING: ELECTRICAL ITEMS | | INVESTMENT | | FINANCE | | OTHER | | UNALLOCABLE | | TOTAL | |
|---------------------------------------------------|---------------|---------|---------------------------|---------|------------|---------|----------|----------|---------|---------|-------------|----------|----------|----------|
| | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 | 2009-10 | 2008-09 |
| 1. SEGMENT REVENUE | | | | | | | | | | | | | | |
| External Turnover | 44549307 | ##### | 6670725 | 2498712 | 622806 | -34940 | 2703060 | 2314158 | 0 | 961180 | 0 | 56545899 | 44408939 | |
| Intra Segment Turnover | 44549307 | ##### | 5670725 | 2498712 | 622806 | -34940 | 2703060 | 2314158 | 0 | 961180 | 0 | 56545899 | 44408939 | |
| BEFORE INTEREST AND EXTRAORDINARY ITEMS AND TAXES | 879300 | 1002878 | 524598 | 95853 | 622643 | -42426 | 2703060 | 2314158 | 0 | 81000 | -1467825 | -1091654 | 3261774 | 2359808 |
| Less Interest | 287238 | 172987 | 8422 | 0 | 0 | 0 | 7044850 | 842955 | 0 | 0 | 0 | 64945 | 1318508 | 1080888 |
| Profit Before Extra Extraordinary Items and Taxes | 612065 | 829890 | 518174 | 95853 | 622643 | -42426 | 1658210 | 1471203 | 0 | 81000 | -1467825 | -1156600 | 1943267 | 1278920 |
| Extra-ordinary Items | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit Before Taxes | 612065 | 829890 | 518174 | 95853 | 622643 | -42426 | 1658210 | 1471203 | 0 | 81000 | -1467825 | -1156600 | 1943267 | 1278920 |
| Current Tax | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 395000 | 483927 |
| Deferred Tax | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 60568 | 7422 |
| Net Profit After Tax | 612065 | 829890 | 518174 | 95853 | 622643 | -42426 | 1658210 | 1471203 | 0 | 81000 | -1467825 | -1156600 | 1608835 | 787571 |
| 3. Other Information | | | | | | | | | | | | | | |
| Segment Assets | 5867842 | 9742518 | 9543293 | 1704914 | 4118660 | 4278148 | 19624945 | 20899082 | 0 | 0 | 7147753 | 4977292 | 40302703 | 41601954 |
| Segment Liabilities | 7596563 | 9002364 | 1088340 | 780027 | 0 | 0 | 8158752 | 8371505 | 0 | 0 | 1010084 | 32783431 | 17851759 | 50937328 |
| Capital Expenditure | 88187 | 6300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 87535 | 759009 | 183762 | 765309 |
| Depreciation | 24329 | 16149 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 210425 | 211410 | 234455 | 227559 |
| Non Cash Expenses other than depreciation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| SECONDARY SEGEMENT INFORMATION | 2009-10 | 2008-09 |
|--------------------------------|----------|----------|
| Segment Revenue | 56545899 | 44408939 |
| 2. Segment Assets | 33154940 | 36624662 |
| 3. Segment Liabilities | 16841675 | 18153897 |
| 4. Capital Expenditure | 96167 | 6300 |



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