

22nd
ANNUAL REPORT
2011 - 2012



ATHARV ENTERPRISES LIMITED

22nd Annual Report 2011-12

BOARD OF DIRECTORS

Jagdish C. Gadiya (Managing Director)
Niteen Jaju (Executive Director)
Kaushal Ameta (Independent Capacity)
Arjun Mundra (Independent Capacity)
Ravikant Gupta (Independent Capacity)

BANKERS

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

STATUTORY AUDITORS

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

REGISTERED OFFICE

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

REGISTRAR & TRANSFER AGENTS

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

NOTICE IS HEREBY given that the TWENTY SECOND Annual General Meeting of the members of ATHARV ENTERPRISES LTD will be held on Friday, the 21st day of September, 2012 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, 2012 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 appoint M/s Sanjay Vhanbatte & Co, Chartered Accountants, as the auditors of the Company for the financial year 2012-13, 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.

SPECIAL BUSINESS :

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

RESOLVED THAT subject to the provisions of section 198,269,314 and schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 the consent of the shareholders be and is hereby accorded for the appointment of Mr. Deepak Mandowara as Executive Director for a period for three years i.e. 21.09.2012 to 20.09.2015 at payment of salary @ Rs.15000/- p.m., with standard facilities until decided otherwise."

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 19-09-2012 to 21-09-2012.

**For & on behalf of the Board
For ATHARV ENTERPRISES LTD**

**Date : 10.08.2012
Place : Kolhapur**

**Jagdishchandra Gadiya
Chairman and Managing Director**

EXPLANATORY STATEMENT

Pursuant to Section 173 (2) of the Companies Act,1956 forming part of and attached to the Notice dated 10th August, 2012 for the Annual General Meeting Setting out all material facts relating to the Special Business mentioned in the said Notice.

Item No. 3

Mr. Deepak Mandowara is an MBA with business in Finance He is well aware of the company's business. His appointment as Executive Director of the company shall be of great advantage. As such, the board recommends that he be appointed as the Executive Director of the company at a remuneration of Rs.15000/- p.m. with standard facilities.

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

**For & on behalf of the Board
For ATHARV ENTERPRISES LTD**

**Place - Kolhapur
Date - 10.08.2012**

**Jagdishchandra Gadiya
Chairman and Managing Director**

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DIRECTOR'S REPORT

TO,
The Members,
ATHARV ENTERPRISES LTD

Your Directors have pleasure in presenting the 22nd Annual Report with the Audited Statement of Accounts of your Company for the financial year ended 31st March, 2012.

FINANCIAL RESULTS

	2011-2012	(Rs.in.lacs) 2010-2011
Gross Receipts	174.30	469.76
Profit/Loss before Depreciation	24.26	16.18
Depreciation	2.08	1.98
Net Profit / (Loss) for year	19.66	14.20

DIVIDEND

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

OPERATING RESULTS

The balance sheet of our company show a net profit of Rs. 19.66 lakhs for this financial year and a operating profit (EBITDA) of Rs. 24.26 Lakhs.

FUTURE PROJECTS & REVIEW

1. 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 third year of operations as well.
2. The company is a co-promoter in 'M/s. Sunchemie Industries Pvt Ltd, Sri Lanka'. The Sri Lankan company has got all relevant clearances to put up a waste and used oils re-refining plant. However, the term loan has not been financed as yet which is a cause of concern. The Sri Lankan company may sell its licenses and return the monies invested by the company.
3. The company has started business of trading in fabric.

DIRECTORS

The company has appointed Mr. Ravikant Gupta as Non-Executive Independent Director w.e.f 07/11/2011.

The company has appointed full time company Secretary Mr. Rohan Sharma w.e.f. 07/02/2012.

During the year, Mrs. Ritu Jaju and Mr. Bhushan Gandhi resigned as Directors at the time of last AGM.

The company has appointed Mr. Kaushal Ameta and Mr. Arjun Mundra as Non-Executive Independent Director in additional capacity w.e.f. last AGM.

Mr. Nitten Jaju has written to the company to relieve him of the executive responsibilities of the company w.e.f. this AGM and that he shall continue only as Non-Executive Director of the company due to other business pre-occupation. The Board has accepted the same.

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 2011-12 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 Financial Year.

COMMENTS IN AUDITORS REPORT

1. The company is a co-promoter in 'M/s. Sunchemie Industries Pvt Ltd, Sri Lanka'. The Sri Lankan company has got all relevant clearances to put up a waste and used oils re-refining plant. However, the term loan has not been financed as yet which is a cause of concern. The Sri Lankan company may sell its licenses and return the monies invested by the company.
2. There is no unpaid liability with respect to employee benefit.

AUDITORS

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

OTHER DISCLOSURES

During the year 2011-12, the Company has allotted 24,63,500 Equity Shares of Rs. 10/- each at a Premium of Rs. 7.80/- per share on 20th October, 2011 on Preferential Allotment basis to Other than Promoters approved by Members of the Company on 22nd September, 2011 through Postal Ballot conducted pursuant to Section 192A of the

Companies Act, 1956 and as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for raising funds for the expansion of business and general corporate purpose of the Company. The said Equity Shares are listed on Bombay Stock Exchange Limited (BSE).

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

The company has proposed to change the registered office of the company within the municipal limits of Kolhapur. The Board shall decide the new office premises and the same is proposed to be shifted in October, 2012.

COMPANY SECRETARY

The company has appointed Mr. Rohan Sharma as full time Company Secretary of the Company w.e.f. 07 February, 2012. He has also replaced Mr. Nitten Jaju as Compliance Officer of the company w.e.f. 05 May, 2012.

INTERNAL AUDITORS

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

ACKNOWLEDGEMENT AND APPRECIATION

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

For & on behalf of the Board
For ATHARV ENTERPRISES LTD

Nitten Jaju
Director

Jagdish chandra Gadiya
Chairman & Managing Director

Place :- Kolhapur
Date :- 10.08.2012

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REPORT ON CORPORATE GOVERNANCE FINANCIAL YEAR 2011-12

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 5 Directors as on date. 3 are Non-Executive & Independent Directors.

The Managing Director is incharge of all the operations of the company in general. 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 date have Five Directors, the details of which are as follows:

Name of Director	Category	Remuneration Drawn	Perquisites, if any
Mr. Nitten Jaju	Director	Rs.15000/- p.m	Shall become Non-Executive Director w.e.f. ensuing AGM and will not draw any remuneration.
Mr. Jagdishchandra Gadiya	Chairman and Managing Director	Rs. 15000/- p.m.	Appointed w.e.f. 30/09/2011
Mr. Arjun Mundra	Non Executive Independent Director	No. remuneration drawn	Appointed w.e.f. 30/09/2011
Mr. Kaushal Ameta	Non-Executive Independent Director	No remuneration drawn	Appointed w.e.f. 30/09/2011
Mr. Ravikant Gupta	Non-Executive Independent Director	No remuneration drawn	Appointed w.e.f. 07/11/2011

b) Number of Board meetings :

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

06 May 2011, 20 July 2011, 12 August, 2011, 20 Oct 2011
07 November 2011, 07 February, 2012 and 05 March, 2012.

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

The 22nd Annual General Meeting was held on 21st September, 2012.

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 11-12	Board meetings attended in 11-12	Attendance at Last AGM	Directorship in other Public Ltd Company incorporated in India	Board committees of which Director is member
Jagdishchandra Gadiya	Managin Director	5	5	Yes	No	1
Kaushal Ameta	Director	6	6	Yes	No	2
Arjun Mundra	Director	5	5	Yes	No	2
Nitten Jaju	Director	7	7	Yes	No	1
Ravikant Gupta	Director	3	3	No	No	

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.

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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, 2012 :

Mr. Jagdishchandra Gadiya, Member Mr. Arjun Mundra, Chairman Mr. Kaushal Ameta, Member	Chairman & Managing Director Independent, Non-Executive Director Independent, Non-Executive Director
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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.

committee meeting as and when required by the Committee.

The Audit Committee met on the followings dates during the last financial year :

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

06 May 2011, 12 August 2011,
07 November 2011 and 07 February, 2011

The attendance of each member is as under :

Name of the Director	No of Meetings held	No. of Meetings attended
Jagdishchandra Gadiya	1	1
Arjun Mundra	3	3
Kaushal Ameta	3	3
Nitten Jaju	4	4

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

The members of the committee as on 31 March 2012 are :

h) Investors Grievance & Share Transfers Committee :

Kaushal Ameta Member
Ravikant Gupta Member
J C Gadiya Chairman of the Committee

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

Kaushal Ameta is the Secretary of the Committee. The Committee meets not less than twice in a year.

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

06 May, 2011, 07 November, 2011 and
07 February, 2012

The attendance of each member is as under:

Name of the Director	No of Meetings held	No. of Meetings attended
Kaushal Ameta	2	2
Arjun Mundra	2	2
J C Gadiya	2	2
Nitten Jaju	1	1

During the year, no complaints were received from the investors. There are no pending share transfers as on 31 March, 2012.

i) **Compliance Officer :**

Mr. Rohan Sharma has been designated as the Compliance officer w.e.f 05 May, 2012.

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, 2012.

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.

The company has ventured as a partner having 25% share in Biomass Briquetting plant in the name of 'Green Fuel Tech' having its plant at Chiplun, dist. Ratnagiri. The investment in this company has yielded very good share of profits for the company.

The company is also a co-promoter of 'Sunchemie Industries Pvt Ltd' Sri Lanka which is a registered company with ROC, Sri Lanka and has signed an agreement with the Board of Investment of Sri Lanka to put up a plant to manufacture Base Lube Oils by re-refining of Used and Waste Oils. The proposed project has got delayed due to delay in term loan arrangement. The company is not hopeful of this project now since the delay has been substantial. A final call on the project is expected by September, 2012.

Opportunities and threats –

Investment in shares has its pitfalls in terms of market conditions. Amounts which have been lent to parties on call basis have threat of going bad. The amounts invested / proposed to be invested in Sri Lanka project M/s. Sunchemie Industries Pvt Ltd have a risk in terms of the project not taking off at all.

In terms of opportunities, investment in shares can give reasonable returns if invested pragmatically.

Segment wise performance – The company has booked reasonable income by way of interest income. This year has been very good for its investment in Green Fuel Tech as Partner.

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

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

Financial performance wrt operational performance – The company has had a good profit this year. The operational profit is Rs. 22.71 lakhs.

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

k) **Disclosure by Management to the Board :**

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

l) **Shares held by Non-Executive Directors :**

The Non-Executive Directors does not hold any Equity Shares of the Company.

4. **SHAREHOLDERS**

m) **Annual General meetings :**

Details of General Meetings of the Shareholders are under.

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YEAR	AGM	LOCATION	DATE	TIME
2008-2009	AGM	1039, E Rajaram Road, Kolhapur-416008	19.08.2009	11.00 A.M.
2009-2010	AGM	1039, E Rajaram Road, Kolhapur-416008	23.09.2010	11.00 A.M.
2010-2011	AGM	1039, E Rajaram Road, Kolhapur-416008	30.09.2011	11.00A.M.
2011-2012	AGM	1039, E Rajaram Road, Kolhapur-416008	21.09.2012	11.00 A.M.

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

n) Extra Ordinary General meetings :

Details of Extra Ordinary General Meetings of the Shareholders are under :-

YEAR	EGM	LOCATION	DATE	TIME
2011-2012	EGM	1039, E Rajaram Road, Kolhapur-416008	29.03.2012	2.00PM

o) 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-compliance reported to the Company by Stock Exchange.

p) 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.

q) Book Closure Dates :

19.09.2012 to 21.09.2012
(both days inclusive)

r) General Shareholders information :

1. Annual General Meeting :

Day, Date, time and Venue
Friday, 21 September, 2012 at 11.00 a.m.
1039, 'E' Rajaram Road, Kolhapur

2. Financial Calendar for 2011-2012 (tentative) :

Financial reporting for September, 2012
quarter results - 31 October, 2012
Financial reporting for December, 2012
quarter results - 31 January, 2013

3. Listing on the Stock Exchanges :

The equity shares of the Company is listed on the Mumbai Stock Exchange. The Company has paid the listing fees to the stock exchange for the period 1st April, 2012 to 31st March, 2013.

The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001
Scrip Code - 530187

Month	High	Low	No. of Shares
Apr-11	15.19	11.40	4,755
May-11	13.12	10.74	11,183
Jun-11	12.50	10.15	5,100
Jul-11	12.20	10.35	90,474
Aug-11	21.00	11.60	5,02,902
Sep-11	35.40	18.50	1,26,289
Oct-11	35.80	23.30	1,66,296
Nov-11	34.70	24.00	24,169
Dec-11	29.70	23.70	14,108
Jan-12	36.75	25.25	18,799
Feb-12	42.00	31.10	81,956
Mar-12	44.20	32.55	61,950

4. Code in respect of Company's Shares traded in DEMAT form for both NSDL and CDSL :

ISIN – INE354E01015

5. Stock price data for the period from 01 April, 2011 to 31st March, 2012 :
6. Registrar and Share Transfer Agents :

For both physical share transfers and dematerialised share transfers –

M/s. Adroit Corporate Services Private Limited

19, Jaferbhoy Industrial Estate,

1st Floor, Makwana Road, Marol Naka,

MUMBAI – 400 059

Phone : 022 – 2859 0942, 2850 3748

Fax : 022- 2692 4438

Email : adroits@vsnl.net

7. Distribution of shareholding as at 31st March, 2012 :

Shares slab	Share Holders	% age	Total Shares	Amount (Rs.)	% age
UPTO - 100	1957	62.83	190836	1908360.00	3.46
101 - 500	835	26.81	233947	2339470.00	4.25
501 - 1000	129	4.14	113315	1133150.00	2.06
1001 - 2000	64	2.05	95592	955920.00	1.73
2001 - 3000	29	0.93	74413	744130.00	1.35
3001 - 4000	12	0.39	41296	412960.00	0.75
4001 - 5000	12	0.39	57779	577790.00	1.05
5001 - 10000	17	0.55	133689	1336890.00	2.43
10001 - 20000	9	0.29	143300	1433000.00	2.60
20001 - 50000	24	0.77	876529	8765290.00	15.91
50001 & Above	27	0.87	3549304	35493040.00	64.42
Total :	3115	100.00	5510000	55100000.00	100.00

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8. Shareholding pattern as at 31st March, 2012 :

Sr No	Code Description	#Folios	%age	Shares	%age
1	1 F RESIDENT INDIVIDUALS	3042	97.66	3666295	66.54
2	2 F NON RESIDENT INDIANS(INDIVIDUALS)	3	0.10	2500	0.05
3	3 F CORPORATE BODIES	51	1.64	377257	6.85
4	9 C DIRECTORS (PROMOTER)	1	0.03	25000	0.45
5	10 C DIRECTORS RELATIVES (PROMOTER)	3	0.10	459530	8.34
6	17 F CLEARING MEMBER	4	0.13	1000	0.02
7	18 F CORPORATE BODY - BROKER	5	0.16	393	0.01
8	19 C PERSONS ACTING IN CONCERT(PROMOTER)	6	0.19	978025	17.75
Total :		3115	100.00	5510000	100.00

9. Dematerialisation of shares and liquidity :

As at 31 March, 2012, 82.28% total equity share capital is held in electronic mode out of which National Securities Depository Limited (NSDL) have [43.53%] and Central Depository Services Ltd (CDSL) have [38.75%]. 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.

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

As at 31st March, 2012, there are no outstanding ADRs/GDRs/Warrants/Other convertible instrument which has impact on the equity of the Company.

11. GREEN INITIATIVE

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

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

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

- The Company has formed a Joint, Investor Grievance and share transfer committee. The total shareholders of the company is only 3115 as on 31.03.2012. 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 company has hosted its website by the name www.atharventerprises.com.
- The Board of Directors of the company appointed full time company secretary Mr. Rohan Sharma w.e.f 07/02/2012.

DECLARATION

I, Jagdish Chandra Gadiya, Managing Director of Atharv Enterprises Ltd, hereby declare that all the members of the Board of Directors and its Senior management personnel have affirmed compliance with the Code of Conduct, for the year ended March 31, 2012.

For ATHARV ENTERPRISES LTD

Place: Kolhapur
Date : 10th August, 2012

Jagdish Chandra Gadiya
Managing Director

To,
The Members of
ATHARV ENTERPRISES LTD,

We have examined the compliance of conditions of corporate governance by Atharv Enterprises Limited, for the year ended 31 March, 2012, 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 Company has formed a Joint, Investor Grievance and share transfer committee. Further, this committee deals with share transfer. The authority is not delegated to any officer.

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

We further state that such compliance is neither an 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.

Rohan Sharma
Company Secretary

Place: Kolhapur
Date: 10th August 2012

Managing Director Certificate

To
The Board of Directors
Atharv Enterprises Limited
Kolhapur

I, Jagdish Chandra Gadiya Managing Director of Atharv Enterprises Limited, to the best of knowledge and belief, certify that:

- (i) We have reviewed financial statements (Balance Sheet, Profit & Loss Account and all the schedules and notes on accounts) and the Cash Flow Statement and Directors' Report for the year and based on our knowledge, belief and information:
 - i. These statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make these statements made, in the light of the circumstances under which such statements were made, not misleading with respect to the statements made.
 - ii. These statements and other financial information included in this annual report, present in all material respects, a true and fair view of the Company's affairs and are in Compliance with existing Accounting Standards and / or applicable laws and regulations.
- (ii) To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violation of the Company's Code of Conduct.
- (iii) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of Internal Control System of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to ratify these deficiencies.
- (iv) We have indicated to the Auditors and the Audit Committee:
 - i. Significant changes in Internal Control over financial reporting during the year;
 - ii. Significant changes in Accounting Policies during the year and that the same have been disclosed in the notes to the Financial statements.

Place: Kolhapur
Date : 10th August, 2012

Jagdish Chandra Gadiya
Managing Director

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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, 2012 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 31st March, 2012 from being appointed as a Director under clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.
- f)
 - i. **No provision has been made in respect of the following receivables / investments recovery in respect of which is highly irregular and uncertain:**
 1. **Sunchemie Industries P Ltd Rs.9,17,421.24**
 - ii. **Attention is invited to Note No.14 in respect of Employee Benefits.**

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.

- iii. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012.
- iv. In the case of Profit and Loss Accounts, of the Profit for the year ended on the date and
- v. 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.

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

Place: Kolhapur
Date: 14.06.2012

Sanjay M. Vhanbatte
Proprietor
M.NO. 044808

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 in the individual names of the directors.**
- b) As explained to us, fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed in such physical verification.
- c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.

2. In respect of Inventories :

- a) As explained to us, Inventories have been physically verified by the management at regular intervals during the year.
- b) In our opinion, and according to information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

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

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

- b) The Company has taken following loans from parties listed in the register maintained under Section 301. However no interest is paid to these parties.

	Balance Outstanding As at 31-03-2012	Maximum Balance outstanding during the year
J C Gadia (Director)	4,25,000	4,25,000
Green Fuel Tech (Partnership Concern where Company is Partner)	19,28,606	19,28,606

- 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 appear as per information available with the company.

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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, 2012 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. Certain shares are not in the name of the company inasmuch as they stand given as a security for financial facilities/credit trade facilities.
15. Based on our audit procedures and as per information given to us the Company has not given guarantees for loans taken by others from banks or financial institutions.
16. Based on our audit procedures and as per information given to us the company has not raised any term loans during the year.
17. According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we are of the opinion that the company has not utilized any short term resources for investment in long term assets.
18. In our opinion and to the best of our information and knowledge, the prices at which the Company has made preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956 are not prejudicial to the interest of the company.
19. The Company has not issued any debentures.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanation given to us, no fraud on /or by the Company has been noticed or reported during the year, that causes the financial statement to be materially misstated.

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

Place : Kolhapur
Date : 14.06.2012

Sanjay M. Vhanbatte
Proprietor
M.NO. 044808

BALANCE SHEET AS AT 31/03/2012

Particulars	Note No.		As at 31-03-2012 [Rs.]		As at 31-03-2011 [Rs.]
I EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	1	55,100,000.00		30,464,000.00	
(b) Reserves and surplus	2	14,588,029.96	69,688,029.96	(6,593,236.11)	23,870,763.89
(c) Money Received against Share Warrants			-		-
(2) Non-current liabilities					
(a) Long-term borrowings	3	8,996,223.62		7,669,705.97	
(b) Deferred Tax Liability (Net)	4	6,090.92		24,795.00	
(c) Other Long-term Liabilities	-		-		-
		-	9,002,314.54		7,694,500.97
(3) Current liabilities					
(a) Short-term borrowings	5	3,271,191.34		4,797,547.85	
(b) Trade Payables	6	1,586,556.85		1,210,501.74	
(c) Other current liabilities	7	1,123,482.55		477,732.00	
(d) Short Term Provisions	8	970,617.48	6,951,848.22	497,076.62	6,982,858.21
	TOTAL		85,642,192.72		38,548,123.07
II ASSETS					
Non-current assets					
(1) (a) Fixed Assets					
(i) Tangible assets		4,204,702.72		1,157,811.72	
(ii) Intangible assets		-		-	
(iii) Capital Work -in-progress		-		-	
(b) Non-Current investments	10	4,633,293.94		9,615,044.86	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances					
(e) Other Non Current Assets	11	892,344.20	9,730,340.86	1,289,572.20	12,062,428.78
(2) Current assets					
(a) Current Investments					
(b) Inventories	12	-		3,390,113.95	
(c) Trade receivables	13	923,197.44		2,362,651.14	
(d) Cash and Cash equivalents	14	351,153.67		2,362,461.76	
(e) Short-term loans and advances	15	74,480,409.75		18,323,329.44	
(f) Other Current Assets	16	147,091.00	75,901,851.86	47,138.00	26,485,694.29
(3) Miscellaneous Expenses & Losses					
Deferred Revenue Expenditure		10,000.00		10,000.00	
Significant Accounting Policies and Notes on Financial Statements	TOTAL		85,642,192.72		38,548,123.07
	36				

As per our report of even date
For SANJAY VHANBATTE & CO.
Chartered Accountants
FRN 112996 W

For ATHARV ENTERPRISES LTD

S. M. VHANBATTE
PROPRIETOR
M NO.044808

Place : Kolhapur
Date : 14.06.2012

Managing Director Director Company Secretary

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2012				
Particulars		Note No.	YEAR ENDED 31-03-2012	YEAR ENDED 31-03-2011
I	Revenue from operations	17	10,835,645.00	2,869,111.00
II	Other Income	18	1,641,698.74	1,248,097.65
III	Total Revenue (I+II)		12,477,343.74	4,117,208.65
IV	Expenses :			
	Purchase of Stock in Trade		6,181,651.00	-
	Employee Benefits Expense	19	519,266.07	160,712.00
	Finance Costs	20	1,028,701.20	1,083,480.85
	Depreciation and amortization expense	21	178,361.00	168,013.00
	Other Expenses	22	3,505,737.61	2,234,902.5
	Total expenses (IV)		11,413,719.88	3,647,108.35
V	Profit before exceptional and extraordinary items and tax (III-IV)		1,063,623.86	470,100.30
VI	Exceptional items		-	-
VII	Profit/(Loss) before extraordinary items and tax (V-VI)		1,063,623.86	470,100.30
VIII	Extraordinary Items		-	-
IX	Profit Before Tax		1,063,623.86	470,100.30
<u>Yarn Marketing Division: Discontinued</u>				
I	Revenue from operations	23	-	32,514,369
II	Other Income	24	1,206,489	452,785
III	Total Revenue (I+II)		1,206,489	32,967,154.05
IV	Expenses :			
	Purchase of Stock in Trade		-	30,955,158.00
	Changes in inventories of finished goods	25	-	207,345.00
	Employee Benefits Expense	26	71,500.00	300,944.00
	Finance Costs	27	184,285.00	310,565.00
	Depreciation and amortization expense	28	30,382.00	30,116.00
	Other Expenses	29	271,474.40	629,957.97
	Total expenses (IV)		557,641.40	32,434,085.97
V	Profit before exceptional and extraordinary items and tax (III-IV)		648,847.60	533,068.08
VI	Exceptional items		-	-
VII	Profit/(Loss) before extraordinary items and tax (V-VI)		648,847.60	533,068.08
VIII	Extraordinary Items		-	-
IX	Profit Before Tax		648,847.60	533,068.08

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2012
Electrical Division : Discontinued

Particulars	Note No.	YEAR ENDED 31-03-2012	YEAR ENDED 31-03-2011
I Revenue from operations	30	3,522,927.84	9,647,455.38
II Other Income	31	222,835.63	244,707.82
III Total Revenue (I+II)		3,745,763.47	9,892,163.20
IV Expenses :			
Purchase of Stock in Trade		(313,953.32)	10,075,427.65
Changes in inventories of finished goods	32	3,390,113.95	(1,580,139.28)
Employee Benefits Expense	33	52,988.00	267,402.50
Finance Costs	34	35,674.91	136,389.00
Other Expenses	35	76,149.40	353,517.85
Total expenses (IV)		3,240,972.94	9,252,597.72
V Profit before exceptional and extraordinary items and tax (III-IV)		504,790.53	639,565.48
VI Exceptional items		-	-
VII Profit/(Loss) before extraordinary items and tax (V-VI)		504,790.53	639,565.48
VIII Extraordinary Items		-	-
IX Profit Before Tax		504,790.53	639,565.48
A CONTINUING OPERATIONS			
PROFIT(LOSS)FINANCE/INV DIVISION		1,063,623.86	470,100.30
PROFIT (LOSS): YARN DIVISION		-	533,068.08
PROFIT (LOSS): ELECTRICAL DIVISION		-	639,565.48
		1,063,623.86	1,642,733.86
Exceptional Items		-	-
Profit Before Tax		1,063,623.86	1,642,733.86
X Tax expense :			
(1) Income Tax for earlier years		-	93,416.00
(2) Current Year Tax		129,519.00	125,371.00
(3) Deferred tax		(18,704.08)	4,127.00
XI Profit(Loss) for the period from Continuing Operations		952,808.94	1,419,819.86
B DISCONTINUING OPERATIONS			
i:A Profit / (Loss) from discontinuing operations (before tax):Yarn		648,847.60	-
i:B Profit / (Loss) from discontinuing operations (before tax):Electrical		504,790.53	-

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2012

Particulars	Note No.	YEAR ENDED 31-03-2012	YEAR ENDED 31-03-2011
ii Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		-	-
iii Add / (Less): Tax expense of discontinuing operations			
(a) on ordinary activities attributable to the discontinuing operations		140,481.00	-
(b) on gain / (loss) on disposal of assets / settlement of liabilities		-	-
iv Profit / (Loss) from discontinuing operations (i + ii -iii)		1,013,157.13	-
B TOTAL OPERATIONS		1,965,966.07	1,419,819.86
X Earnings per equity share of face value of Rs.10 each Basic and Diluted		0.48	0.47
Significant Accounting Policies and			
Notes on Financial Statements	36		

As per our report of even date
For **SANJAY VHANBATTE & CO.**
Chartered Accountants
FRN 112996 W

For **ATHARV ENTERPRISES LTD**

Place : Kolhapur
Date : 14.06.2012

S. M. VHANBATTE
PROPRIETOR
M NO.044808

Managing Director Director Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2012
Consolidated

Particulars	Note No.	YEAR ENDED 31-03-2012	YEAR ENDED 31-03-2011
I	Revenue from operations	14,358,572.84	45,030,935.33
II	Other Income	3,071,023.37	1,945,590.57
III	Total Revenue (I+II)	17,429,596.21	46,976,525.90
IV	Expenses :	-	-
	Purchase of Stock in Trade	5,867,697.68	41,030,585.65
	Changes in inventories of finished goods	3,390,113.95	(1,372,794.28)
	Employee Benefits Expense	643,754.07	729,058.50
	Depreciation and amortization expense	208,746.00	198,129.00
	Finance Costs	1,248,661.11	1,530,434.85
	Other Expenses	3,853,361.41	3,218,378.32
	Total expenses (IV)	15,212,334.22	45,333,792.04
V	Profit before exceptional and extraordinary items and tax (III-IV)	2,217,261.99	1,642,733.86
VI	Exceptional items	-	-
VII	Profit/(Loss) before extraordinary items and tax (V-VI)	2,217,261.99	1,642,733.86
VIII	Extraordinary Items	-	-
IX	Profit Before Tax	2,217,261.99	1,642,733.86
X	Tax expense :		
	(1) Income Tax for earlier years	-	93,416.00
	(2) Current Year Tax	129,519.00	125,371.00
	(3) Deferred tax	(18,704.08)	4,127.00
XI	Profit(Loss) for the period from		
	Continuing Operations	2,106,447.07	1,419,819.86
	iii Add / (Less): Tax expense of discontinuing operations		
	(a) on ordinary activities attributable to the discontinuing operations	140,481.00	-
	(b) on gain / (loss) on disposal of assets / settlement of liabilities	-	-
	TOTAL OPERATIONS	1,965,966.07	1,419,819.86

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NOTES TO THE ACCOUNTS					
Particulars		As at 31-03-2012 [Rs.]		As at 31-03-2011 [Rs.]	
NOTE No. 1 - Share Capital					
SHARE CAPITAL					
(a) Authorised					
55,10,000 Equity shares of Rs.10 each (Previous Year 3250000 Equity shares of Rs.10 each)		55,100,000.00		32,500,000.00	
		55,100,000.00		32,500,000.00	
(b) Issued Subscribed & Paid up					
55,10,000 Equity Shares of Rs. 10/- each fully paid up (Previous Year 3046500 Equity shares of Rs.10 each)		55,100,000.00		30,465,000.00	
Less: Calls in arrears (Other than directors)		-		1,000.00	
		55,100,000.00		30,464,000.00	
1.1 Details of Shareholders holding more than 5% shares		As on 31.03.2012		As on 31.03.2011	
Name of the Share holder	No of Shares	% Held	No of Shares	% Held	
1. Mrs Sushila Ramsarup Jaju	436,925	7.93%	436,925	14.34%	
2. Mrs Pooja Bippin Jaju	420,600	7.63%	420,600	7.63%	
3. Mrs Ritu Nitten Jaju	-	-	265,380	8.71%	
1.2 Reconciliation of number of shares outstanding					
Opening Balance		3,046,500		3,046,500	
Add: Issued During the Year		2,463,500		-	
Closing Balance at the year end		5,510,000		3,046,500	
NOTE No. 2 - Reserves & Surplus :					
RESERVES & SURPLUS					
CURRENT YEAR	Balance As at 31-03-2011 [Rs.]	Additions [Rs.]	Deductions [Rs.]	Balance As at 31-03-2012 [Rs.]	
a. Security Premium Account	-	19,215,300.00	-	19,215,300.00	
b. General Reserve Balance in Profit & Loss A/c	(6,593,236.11)	1,965,966.07	-	(4,627,270.04)	
	(6,593,236.11)	1,965,966.07	-	14,588,029.96	
PREVIOUS YEAR	Balance As at 31-03-2010 [Rs.]	Additions Tr from P & L A/c [Rs.]	Deductions [Rs.]	Balance As at 31-03-2011 [Rs.]	
Balance in Profit & Loss A/c	(8,013,055.97)	1,419,819.86	-	(6,593,236.11)	
	(8,013,055.97)	1,419,819.86	-	(6,593,236.11)	

NOTES TO THE ACCOUNTS

Particulars	As at 31-03-2012 [Rs.]	As at 31-03-2011 [Rs.]
NOTE No. 3 - Long term borrowings :		
SECURED LOANS		
HDFC Bank- Car Loan (Secured by SX-4)	-	35,482.41
Citi Financial Services:Loan (Secured by Personal Properties of Directors)	6,834,223.62	7,634,223.56
HDFC Bank- Car Loan (Secured by Audi Car)	2,162,000.00	-
UNSECURED LOANS	-	-
	8,996,223.62	7,669,705.97
3.1 Security for the Secured loans		
1. Term Loan from HDFC Bank is secured by SX-4 CAR and guaranteed by Mrs Ritu Jaju as director		
2. Term Loan from City Financial Service is secured by Personal Properties of Directors and guaranteed by Mr Nitten Jaju		
3. Term Loan from HDFC Bank is secured by Audi CAR and personal guarantee of Mr. J C Gadia		
3.2 Rate of Interest		
Term Loan from HDFC Bank	11.19%	11.19%
Term Loan from City Financial Services	13.00%	13.00%
Term Loan from HDFC Bank:Audi Car	11.48%	-
3.3 Terms of Repayment		
a. Term Loan from HDFC Bank is repayable in 36 monthly instalments of Rs.17,990 each.		
b. Term Loan from City Financial Services is repayable in 180 monthly instalments of Rs.1,07,546 (Including Interest) each.		
c. Term Loan from HDFC Bank is repayable in 36 monthly instalments of Rs.80,000 (Including Interest) each.		
NOTE No. 4 - DEFERRED TAX LIABILITY		
a. On Account of depreciation on Fixed Assets	6,090.92	24,795.00
	6,090.92	24,795.00

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NOTES TO THE ACCOUNTS				
Particulars		As at 31-03-2012 [Rs.]		As at 31-03-2011 [Rs.]
NOTE No. 5 - Short term borrowings:				
Secured Loan: Loans repayable on demand				
Veershaiv Bank: Cash Credit (Secured by Current Assets of the Company)		-		2,894,276.00
Unsecured Loan: Loans repayable on demand				
Yes Bank: Channel Finance		10,955.76		1,903,271.85
AXIS Bank : (Temporary Overdraft)		906,629.22		-
Deposit from Jagdish Chandra Gadia		425,000.00		-
Green Fuel Tech		1,928,606.36		-
		3,271,191.34		4,797,547.85
3.1 Security for the Secured loans				
1. Cash Credit from The Veershaiv Co-operative Bank Ltd is secured by Current assets (Yarn Division) of the Company and personal property of the directors. Also guaranteed by Mrs Ritu Jaju, Nitten Jaju and Bippin Jaju.				
3.2 Rate of Interest				
Cash Credit from The Veershaiv Co-operative Bank Ltd		14.00%		11.50%
Channel Finance: Yes Bank Ltd		13.00%		13.00%
NOTE No. 6 - Trade payables :				
Trade Creditors				
Total outstanding dues of Micro Enterprises and Small Enterprises		-		-
Total outstanding dues of creditors other than Micro and small Enterprises and Small Enterprises		1,586,556.85		1,210,501.74
		1,586,556.85		1,210,501.74
<u>Additional Information:</u>				
The details of amounts outstanding to Micro, Small and Medium Enterprises under Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:				
1 Principal amount due and remaining unpaid		-		-
2 Interest due on (1) above and the unpaid interest		-		-
3 Interest paid on all delayed payments under the MSMED Act		-		-
4 Payment made beyond the appointed day during the year		-		-

NOTES TO THE ACCOUNTS

Particulars		As at 31-03-2012 [Rs.]		As at 31-03-2011 [Rs.]
5 Interest due and payable for the period of delay other than (3) above		-		-
6 Interest accrued and remaining unpaid		-		-
7 Amount of further interest remaining due and payable in succeeding years		-		-
NOTE No. 7 - Other Current Liabilities				
Current Maturities of Long Term Debts		-		-
HDFC Bank- Car Loan		35,482.55		199,600.00
Citi Financial Serivces:Loan		800,000.00		278,132.00
HDFC Bank- Car Loan		288,000.00		-
		1,123,482.55		477,732.00
NOTE No. 8 - Short Term Provisions				
a. Provision for Employee Benefits		-		-
b. Other Provisions				
Directors Remuneration Payable/Sitting Fees Payable		41,500.00		37,917.00
Sales Tax Payable		141,459.48		51,863.53
Professional Tax Payable		400.00		400.00
Provision for Income Tax		270,000.00		125,371.00
Sale Commission Payable		17,222.00		47,775.00
Audit Fees Payable		112,360.00		33,090.00
Car Hire Charges		87,000.00		-
Conveyance Payable		45,000.00		-
Director Perquisit		13,260.00		-
Electricity Charges		1,590.00		-
Professional Fees		53,500.00		-
Rent Payable		12,000.00		-
Staff Salary		55,000.00		6,012.00
TDS Payable		106,835.00		7,795.00
Telephone Charges		4,674.00		-
VAT Payable		8,817.00		-
b. Other Provisions for Expenses		-		186,853.09
		970,617.48		497,076.62

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NOTE No. 9

FIXED ASSETS AND DEPRECIATION AS ON 31.03.2012

ASSETS	RATE OF DEPRE	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		COST ON 01.04.2011	ADDITIONS DURING THE YEAR	ASSETS SOLD DURING THE YEAR	TOTAL AS ON 31.03.2012	WRITTEN OFF 01.04.2011	WRITTEN BACK DURING THE YEAR	FOR THE YEAR	TOTAL WRITTEN OFF UP TO 31.03.2012	AS AT 01.04.11	AS AT 31.03.2012
Computer	16.21%	94760.00	0.00	0.00	94760.00	77097.00	0.00	3892.00	80989.00	17663.00	13771.00
Furniture	6.33%	86995.00	0.00	0.00	86995.00	37876.00	0.00	5507.00	43383.00	49123.00	43616.00
Ford Ikon car	9.50%	576900.00	0.00	0.00	576900.00	447299.00	0.00	54805.00	502104.00	129601.00	74796.00
Car - Wagon R	9.50%	386866.00	0.00	0.00	386866.00	249607.00	0.00	36752.00	286359.00	137259.00	100507.00
Office Equipment	4.75%	69895.00	2200.00	0.00	72095.00	10035.00	0.00	3325.00	13360.00	59860.00	58735.00
Car - Maruti SX4	9.50%	740409.00	0.00	0.00	740409.00	193288.00	0.00	70339.00	263627.00	547121.00	476782.00
Car - Audi	9.50%	0.00	3253437.00	0.00	3253437.00	0.00	0.00	0.00	0.00	0.00	3253437.00
Electrical Installation	4.75%	78814.00	0.00	0.00	78814.00	21160.00	0.00	3744.00	24904.00	57654.00	53910.00
YARN DIVISION											
Furniture	6.33%	57665.00	0.00	0.00	57665.00	20005.00	0.00	3651.00	23656.00	37684.00	34033.00
Computer/Software	16.21%	149356.17	0.00	0.00	149356.17	72289.00	0.00	24211.00	96500.00	77067.17	52656.17
Telephone/Mobile	4.75%	53055.55	0.00	0.00	53055.55	8276.00	0.00	2520.00	10796.00	44779.55	42259.55
Totals as at											
31.03.2012		2294743.72	3255637.00	0.00	5550380.72	1136932.00	0.00	208746.00	1345678.00	1157811.72	4204702.72
31.03.2011		2269585.75	25158.00	0.00	2294743.72	938803.00	0.00	198129.00	1136932.00	1330782.72	1157811.72

NOTES TO THE ACCOUNTS

Particulars	As at 31-03-2012 [Rs.]	As at 31-03-2011 [Rs.]
NOTE No. 10 - Non Current Investment :		
INVESTMENTS		
Non Current Investments - Long Term		
A. Investment in Equity Instruments - Quoted:Cost		
Vadilal Enterprises Ltd 700	12,005.00	12,005.00
Steel Authority of India Ltd 1000	107,846.35	107,846.35
Essar Steel Ltd 500	14,689.35	14,689.35
Tata Iron & Steel Co. Ltd 50	14,112.50	14,112.50
NTPC Ltd 225	27,957.00	27,957.00
Videocon Industries Ltd 300	67,500.00	67,500.00
Reliance Industries Ltd 50	63,805.50	63,805.50
GMR Industries Ltd 155	55,760.00	55,760.00
Metcore Alloys & Ind Ltd 95	34,175.00	34,175.00
B. Investment in Equity Instruments - Unquoted Of Others		
Atharv Mines Pvt Limited	500,000.00	500,000.00
Atharv Agencies Private Limited	500,000.00	500,000.00
Veershaiv Co-op Bank Ltd	35,000.00	35,000.00
Anand Fertilisers Pvt Ltd	2,000,000.00	-
C. Investment in Government Securities		
NSC	5,000.00	5,000.00
D. Investment in Partnership Firms		
Green Fuel Tech	-	3,179,806.92
Jai Mining Corporation	40,000.00	40,000.00
E. Havells Business Partners Trust		
	238,022.00	-
F. Share Application Money: Others		
Atharv Mines Pvt Limited	-	4,039,966.00
Sunchemie Industries Pvt Ltd	917,421.24	917,421.24
	4,633,293.94	9,615,044.86
Aggregate Value of		
- Quoted Investments	397,850.70	397,850.70
- Unquoted Investments	4,235,443.24	1,997,421.24
	4,235,443.24	1,997,421.24
Market value of Quoted Investments		
	398,474.85	452,387.75
	398,474.85	452,387.75

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NOTES TO THE ACCOUNTS		
Particulars	As at 31-03-2012 [Rs.]	As at 31-03-2011 [Rs.]
NOTE No. 11 - Other Non Current Assets		
Deposit: BSNL	2,000.00	2,000.00
Deposit : NTC(Includes Interest Receivable)	70,421.00	872,559.00
Advance Income Tax (10-11)	184,816.00	310,187.00
Advance Income Tax /TDS (11-12)	535,670.00	-
VAT Receivable	53,826.20	53,826.20
Other Deposit	39,611.00	45,000.00
Deposit: RIL	6,000.00	6,000.00
	892,344.20	1,289,572.20
NOTE No. 12 - Inventories :		
INVENTORIES (As certified & valued by the management)		
Finished goods: Trading	-	3,390,113.95
	-	3,390,113.95
NOTE No. 13 - Trade receivables :		
TRADE RECEIVABLES (Unsecured-Considered good)		
- Exceeding six months	462,297.47	572,055.98
- Others	460,899.97	1,790,595.16
	923,197.44	2,362,651.14
NOTE No. 14 - Cash and Cash equivalents :		
Cash in hand		
HEAD OFFICE	107,846.52	20,067.43
YARN MARKETING DIVISION	56,652.34	251,308.34
ELECTRICALS DIVISION	131,196.15	203,630.15
Balances with Scheduled Banks		
HEAD OFFICE	34,856.93	1,797,546.54
YARN MARKETING DIVISION	5,820.00	22,445.05
ELECTRICALS DIVISION	-	64,773.25
Balances with Other Banks		
Veershaiv Bank, Ichal Branch	14,781.73	2,691.00
	351,153.67	2,362,461.76
NOTE No. 15 - Short - term loans and advances		
(i) Other loans and advances (specify nature)		
Unsecured, considered good	39,999,764.75	17,635,854.00
Advance to Suppliers	34,480,645.00	687,475.44
	74,480,409.75	18,323,329.44
NOTE No. 16 - Other Current Assets		
Prepaid Insurance	147,091.00	6,783.00
Octroi Claim Receivable	-	35,044.00
Advances to Employees	-	5,311.00
	147,091.00	47,138.00

NOTES TO THE ACCOUNTS

Particulars	As at 31-03-2012 [Rs.]	As at 31-03-2011 [Rs.]
NOTE No. 17 - Revenue from operations:-		
SALES OF PRODUCT COMPRISES: FABRIC CLOTH	6,193,700.00	-
SALES OF SERVICE COMPRISES: Interest on Lending of Advances	4,641,945.00	2,869,111.00
	10,835,645.00	2,869,111.00
NOTE No. 18 - Other Income :		
a. Interest income comprises:		
Bank Interest	612.02	11,854.00
Interest on Reliance Mutual Fund	-	8,393.53
b. Dividend income		
- from long term investments	1,500.00	10,898.00
c. Net gain on sale of:		
Current investments	-	150,826.59
Long-term investments	-	38,212.06
d. Other non Operating Income Comprises		
Share of profit from partnership firm - Green Fuel Tech	1,639,586.72	1,027,913.47
	1,641,698.74	1,248,097.65
NOTE No. 19 - Employee benefits :		
Salaries	323,815.00	160,712.00
Conveyance	113,505.07	-
Diwali Bakshis	81,946.00	-
	519,266.07	160,712.00
NOTE No. 20 - Financial Charges :		
a. Interest		
- Banks	1,028,701.20	1,083,480.85
	1,028,701.20	1,083,480.85
NOTE No. 21 - Depreciation and Amortisation:		
Depreciation	178,364.00	168,013.00
	178,364.00	168,013.00
NOTE No. 22 - Other Expenses :		
Advertisement Expenses	76,778.00	54,651.00
Bank Charges/Commission	2,201.00	326.48
Car Hire Charges	87,000.00	-
Charity & Donations	-	11,250.00

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NOTES TO THE ACCOUNTS		
Particulars	As at 31-03-2012 [Rs.]	As at 31-03-2011 [Rs.]
Club Fees	-	3,971.00
Computer Expenses	13,078.00	25,639.00
Conveyance	-	12,843.24
S/Tax & other charges on shares	-	13,368.24
Demat Charges	46,326.00	-
Directors Remuneration/Perquisites	371,623.19	160,977.00
Director Sitting Fees	-	22,000.00
Donations	12,200.00	-
Electricity Charges	19,600.00	22,874.00
Electrical Expenses	2,098.00	-
General Office Expenses	34,026.80	54,734.50
Insurance	5,984.00	16,141.50
Listing Fees / RTA Fees and Expenses	291,194.00	57,358.00
Membership / Club Fees	8,824.00	-
Notary Stamp Paper	21,480.00	-
Postage & Telegram	66,324.00	48,615.00
Printing & Stationery	161,449.00	22,230.00
Professional Fees	1,225,355.00	110,000.00
Rent	12,000.00	-
Secretarial Audit Fees	-	20,000.00
ROC Expenses	407,853.00	33,855.00
Share issue expenses	237,350.00	-
Subscription or Annual Fees	16,545.00	-
Telephone Expenses	80,225.20	108,211.62
Testing Charges	-	49,635.00
Travelling and Conveyance	164,935.83	180,404.92
Furniture Repairs & Maintenance	-	100,820.00
Vehicle Repairs & Maintenance	11,245.00	17,177.00
Stamp & Notary Charges	-	23,730.00
Loan Processing Fees & Stamp Duty	-	21,000.00
Sundry Balance Written off	(2,324.34)	1,000,000.00
Audit Fees	112,360.00	43,090.00
(Please see Schedule 35)		
Website Development Charges Written off - 50%	10,000.00	-
Prior Period Expenses	10,006.93	-
	3,505,737.61	2,234,902.50

NOTES TO THE ACCOUNTS

Particulars	As at 31-03-2012 [Rs.]	As at 31-03-2011 [Rs.]
NOTE No. 23 - Revenue from Operations:-		
Sale of products comprises :	-	-
Traded Goods - Yarn	-	32,514,368.95
	-	32,514,368.95
NOTE No. 24 - Other Income :		
a. Interest income comprises:		
Interest received	9,714.00	177,002.00
b. Dividend income		
- from long term investments	12,250.00	-
c. Other Operating Income Comprises		
Commission on Yarn sales	829,189.00	33,559.00
Sundry Balances written Back	-	792.00
Rate Difference	-	8,909.00
Hamali Reimbursement	-	232,523.10
Late Payment Interest	15,336.00	-
Settlement of Claim	340,000.00	-
	1,206,489.00	452,785.10
NOTE No. 25 - Change in Inventory :	For the year ended 31 March, 2012	For the year ended 31 March, 2011
<u>Inventories at the end of the year:</u>	-	-
Stock-in-trade		
<u>Inventories at the beginning of the year:</u>	-	207,345.00
Stock-in-trade		
	-	207,345.00
NOTE No. 26 - Employee benefits :		
Salaries, Wages, Allowances & Bonus	71,500.00	300,944.00
	71,500.00	300,944.00
NOTE No. 27 - Financial Charges :		
a. Interest		
- Banks	184,285.00	310,565.00
	184,285.00	310,565.00
NOTE No. 28 - Depreciation and Amortisation:		
Depreciation	30,382.00	30,116.00
	30,382.00	30,116.00
NOTE No. 29 - Other Expenses :		
Bad Debts	25,958.00	11,903.00
Broker Commission	-	113,027.00

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NOTES TO THE ACCOUNTS		
Particulars	As at 31-03-2012 [Rs.]	As at 31-03-2011 [Rs.]
Computer Expenses	-	8,100.00
Conveyance	48,482.43	87,948.52
Diwali Bonus	-	19,087.00
Donation	-	1,100.00
Director Remuneration	-	86,500.00
General Office Expenses	5,443.00	18,287.00
Insurance Charges	23,694.00	6,783.00
License & Registration Fees	-	1,940.00
Membership & Subscription Fees	-	3,300.00
Postage & Courier	167.00	1,077.00
Printing & Stationery/Xerox	-	6,002.00
Professional Fees	-	7,000.00
Office Electricity expenses	-	28,897.25
Rent/Society charges	-	11,874.60
Telephone & Fax Expenses	9,317.00	36,584.91
Testing / Lab Charges	-	380.00
Travelling Expenses: Directors	1,503.77	148,721.44
Vehicle Expenses	48,223.00	30,683.50
Bank Charges	245.00	761.75
Sundry Balance written off	108,441.20	-
	271,474.40	629,957.97
NOTE No. 30 - Revenue from operations:-		
Sale of Products Comprises :		
Traded Goods - Electrical Goods	3,522,927.84	9,647,455.38
	3,522,927.84	9,647,455.38
NOTE No. 31 - Other Income :		
a. Interest income comprises:		
Interest received from Havells Trust	3,155.00	-
a. Other Income		
Rate Difference/Spl Discount	-	201,257.99
Cash Discount	707.62	14,326.01
Turnover Discount	-	22,267.81
Incentive under sale scheme	216,795.00	-
b. Other non Operating Income Comprises		
Sundry Balances written Back/Rounding off	2,178.01	6,856.01
	222,835.63	244,707.82
NOTE No. 32 - Change in Inventory :		
<u>Inventories at the end of the year:</u>		
Stock-in-trade	-	3,390,113.95
<u>Inventories at the beginning of the year:</u>		
Stock-in-trade	3,390,113.95	1,809,974.67
	3,390,113.95	(1,580,139.28)

NOTES TO THE ACCOUNTS

Particulars	As at 31-03-2012 [Rs.]	As at 31-03-2011 [Rs.]
NOTE No. 33 - Employee benefits :		
Staff Salary	52,988.00	218,432.00
Tea Allowance	-	462.00
Employee Conveyance Allowance	-	48,508.50
	52,988.00	267,402.50
NOTE No. 34 - Financial Charges :		
Interest		
- Banks	35,674.91	136,389.00
	35,674.91	136,389.00
NOTE No. 35 - Other expenses :		
Advertisements	-	792.00
Bad Debts	0.40	14,406.08
Cash Discount	199.00	18,102.15
Discount Given	1,586.00	-
Computer Expenses	-	350.00
Diwali Gifts	-	11,876.00
Directors Remuneration	-	41,500.00
Beverage Expenses	-	3,894.00
General Office Expenses	820.00	14,884.00
Octroi Paid	35,044.00	36,306.00
Postage & Courier	168.00	1,420.00
Printing & Stationery/Xerox	171.00	16,986.00
Rent	-	66,120.00
Rent/Society/Taxes-Godown	-	27,000.00
Return/ Replacement Discount	-	1,845.00
Round off	7.28	-
Tea/Coffee/Cold Drinks	-	25.00
Telephone & Fax Expenses	-	33,561.00
Transportation & Hamali	619.00	10,394.00
Bank Charges	(790.00)	715.00
Marketing Expenses	37,365.00	53,341.62
Return / Replacement Discount	959.72	-
	76,149.40	353,517.85

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SCHEDULE 36

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 LIABILITES

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

10. ACCOUNTING FOR TAXES ON INCOME

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income

Tax Act, 1961. Deferred tax is recognized for all timing differences, subject to the consideration of prudence, applying the tax rates that have been substantively enacted at the Balance Sheet date.

11. BORROWING COSTS

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

12. The company does not have any intangible assets

13. IMPAIRMENT OF ASSETS

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

14. EMPLOYEE BENEFITS:

1. Short Term Employee benefits have been accounted for either as an expenses as a charge to Profit & Loss Account or as a liability if unpaid.
2. Post Employment Benefits
 - a. Defined Contributions Plans: The company has no liability towards any defined contributions plans.
 - b. Defined Benefit Plans: The Company accounts for expenditure on defined benefits plans on actual payment basis. It is the view of the management that, due to a small number of workers the liability of the company under defined benefit plans (i.e. gratuity) is not material considering the present composition of the work force and its volume of business. The company has no liability towards retirement benefits as on 31.03.2012.

(B) NOTES FORMING PART OF THE ACCOUNTS

1. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated if realized in the ordinary course of the business, the provision for all known liabilities is adequate and no in excess of the amount considered reasonably necessary.
2. Contingent Liabilities not provided for : Nil.
(Previous Year :NIL)
3. There is no liability in respect of retirement benefits as on 31.03.2012.

4. Auditor's Remuneration

	<u>Current Year Rs.</u>	<u>Previous Year Rs.</u>
Audit fees	30,000.00	20,000.00
Tax Audit Fees	20,000.00	-
Internal Audit Fees	30,000.00	10,000.00
Income Tax Matters	10,000.00	10,000.00
Internal Audit Fees	10,000.00	10,000.00
Total	<u>100,000.00</u>	<u>40,000.00</u>

(Excluding Service Tax Payable there on)

5. DEFERRED TAX

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

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

The position of deferred Taxes is as under	2011-2012	2010-2011
Deferred Tax Liability		
In respect of fixed assets	<u>6,091</u>	<u>24,795</u>
	<u>6,091</u>	<u>24,795</u>

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6. EARNING PER SHARE

i. Profit After Tax	Rs. 19,65,966
ii. The weighted average number Of equity shares of Rs. 10 each	
Total Number of Shares (Weighted)	55,10,000
iii. Earning per share (Basic)	Rs .0.48

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

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

9. Quantitative details of goods traded :

i. FOR THE YEAR ENDING 31.03.2012

SR NO	PARTICULARS	UNIT	OPENING STOCK	PURCHASES	SALES	CLOSING STOCK
1	FABRIC	MTRS	-	48,200	48,200	-
2	FANS	NUMBERS	1123	814	1937	0
3	Switche	NUMBERS	921	0	921	0
4	Lights & Luminaries	NUMBERS	8336	-1220	7116	0
5	Geyser	NUMBERS	21	1	22	0
6	Havells swith	NUMBERS	0	419	419	0
7	C&S	NUMBERS	226	0	226	0
8	Pointers	NUMBERS	4377	-532	3845	0
9	Other	NUMBERS	11	0	11	0

ii. FOR THE YEAR ENDING 31.03.2011

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

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

FOR THE YEAR ENDING 31.03.2012

	Associates	Key Management Personnel	Relative of Key Management Personnel	TOTAL
Expenditure on Services	NIL	4,61,623	0	4,61,623
FINANCE				
Equity /Capital Contribution Outstanding as at the year end.	NIL	25000	1437555	1462555
ADVANCES TAKEN	1,07,98,000	4,25,000	NIL	1,12,23,000
ADVANCES REPAID	40,50,000	NIL	NIL	40,50,000
Outstanding Balance at the Year end: Advances	19,28,606	4,25,000	NIL	23,53,606
SALE OF GOODS	29,66,188	NIL	NIL	29,66,188
PURCHASE OF GOODS	1,82,181	NIL	NIL	1,82,181
Investment in Shares	19,17,421	NIL	NIL	19,17,421
Investment in Capital of Firms	20,40,000	NIL	NIL	20,40,000

FOR THE YEAR ENDING 31.03.2011

	Associates	Key Management Personnel	Relative of Key Management Personnel	TOTAL
Expenditure on Services	NIL	1,20,583	0	1,20,583
FINANCE				
Equity /Capital Contribution Outstanding as at the year end.	NIL	25000	1437555	1462555
ADVANCES TAKEN	3,977,000	NIL	NIL	3,977,000
ADVANCES REPAID	7,857,100	NIL	NIL	7,857,100
SALE OF GOODS	1,05,000	NIL	NIL	1,05,000
RENT PAID	NIL	NIL	27,000	27,000
GOOD PURCHASED	2,38,468	NIL	NIL	2,38,468
Investment in Shares	59,57,387	NIL	NIL	59,57,387
Investment in Capital of Firms	32,19,806	NIL	NIL	32,19,806

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NOTE: Name of related parties and description of relationship:

1. Associates :-
Atharv Agencies Private Limited
Jai Mining Corporation
Green Fuel Tech
Sunchemie Industries Private Limited,
Sri Lanka
Atharv Mines Pvt Ltd
2. Key Management Personnel :-
Mr. Jagdishchandra Gadia
(Managing Director)
Mr. Nitten R. Jaju (Director)
3. Relatives of Key Management personnel
Miss. Rhea Nitten Jaju
(Daughter of Director)
Mrs. Ritu N Jaju (Wife of Nitten Jaju)
Mrs. Pooja Jaju (Wife of Bippin Jaju)
Mr. Bippin Jaju (Brother of Nitten Jaju)
Mr. Ramswarup Jaju
(Father of Mr Nitten Jaju)
Mrs. Sushila R. Jaju
(Mother Mr. Nitten Jaju)

11. Segment Information

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

- a. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment, revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “unallocable”
 - b. Segment assets and segment liabilities represent assets and liabilities to respective segments, investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “unallocable”.
 - c. Other Segment include business segments which are not reportable which consists of sale of other assets.
12. Based on the information available with the company, no creditors have been identified as “supplier” within the meaning of “Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.”
 13. Particulars of Loans and Advances and investment in its own shares by listed companies, their subsidiaries, associates etc required to be disclosed in the annual accounts of the Company pursuant to Clause 32 of the Listing Agreement.

Name of the Company/Firm (Associate)	Balance 31.03.2012	Balance 31.03.2011
Atharv Agencies Private Limited	5,00,000	5,00,000
Atharv Mines Pvt Limited	5,00,000	4,539,966.00
Sunchemie Industries Pvt Ltd	9,17,421.24	9,17,421.24
Green Fuel Tech	NIL	3,179,806.92
Jai Mining Corporation	40,000	40,000

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012
Amount in Rs.

	For the Year ended 31.03.2012		For the Year ended 31.03.2011	
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit(Loss) before tax and Extra Ordinary Item Ordinary Items		2,217,261.99		1,642,733.86
Adjustment for:				
Depreciation	208,746.00		198,129.00	
Dividend	(13,750.00)		(10,898.00)	
Profit(Loss) on sale of Investments			(189,038.65)	
Profit (Loss) on Sale of Other Assets			0.00	
Share of Profit from Firm :Green Fuel Tech	(1,639,586.72)		(1,027,913.47)	
Interest Income (Expenses) : NET	(13,481.02)	(1,458,071.74)	(390,822.55)	(1,420,543.67)
Operating Profit before Working Capital Changes		759,190.25		222,190.19
Adjustment for:				
Reduction In Inventory	3,390,113.95		(1,372,794.28)	
Trade Receivables	1,439,453.70		2,948,342.56	
Other Receivables - Prpaid Insurance	(99,953.00)		6,981,365.50	
Other Current Liability	645,750.55			
Other non Current Assets	397,228.00			
Other Provisions	473,540.86			
Deffered Revenu Expenditure	(10,000.00)			
Trade Payable	376,055.11	6,612,189.17	(5,009,760.07)	3,547,153.71
Cash Generated from Operations		7,371,379.42		3,769,343.90
Direct Taxes Refund/(Paid)		(270,000.00)		(218,787.00)
Cash Flow before Extraordinary Item		7,101,379.42		3,550,556.90
Extraordinary Items		0.00		0.00
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	A	7,101,379.42	A	3,550,556.90
CASH FLOW FROM INVESTING ACTIVITIES				
Sale (Purchase) of Fixed Assets:NET		(3,255,637.00)		(25,158.00)
Sale/(Purchase)of Investments: Net		4,981,750.92		(5,495,385.16)
Loans and Advances		0.00		0.00
Share of Profit from Firm :Green Fuel Tech		1,639,586.72		1,027,913.47
Dividends		13,750.00		10,898.00
Profit/(Loss) on Sale of Investment		0.00		189,038.65
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	B	3,379,450.64	B	(4,292,693.04)
CASH FLOW FROM FINANCE ACTIVITIES				
Proceeds from Issue of Share Capital		24,636,000.00		0.00
Premium on Issue of Share Capital		19,215,300.00		
Proceeds from Long Term Borrowings		1,326,517.65		(422,951.15)
Proceeds from Short Term Borrowings		(1,526,356.51)		2,254,184.89
Interest Income (Expenses):NET		13,481.02		390,822.55
NET CASH FROM/(USED IN) FINANCE ACTIVITIES	C	43,664,942.16	C	2,222,056.29
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)		54,145,722.22		1,479,920.15
OPENING BALANCE OF CASH AND CASH EQUIVALENTS		2,362,461.76		882,541.61
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		351,153.67		2,362,461.76

On behalf of the Board,
For ATHARV ENTERPRISES LIMITED,

Place : Kolhapur
Date : 14.06.2012

Managing Director Director Company Secretary

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SEGMENT REPORTING FINANCIAL YEAR - 2012

PARTICULARS	TRADING:YARN		TRADING:ELECTRICAL ITEMS		TRADING:FABRIC CLOTH		INVESTMENT		FINANCE		OTHER		UNALLOCABLE		TOTAL	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
1. SEGMENT REVENUE																
External Turnover	1206489	32967154	3745763	9892163	6193700	0	1639587	1238244	4644057	2869111	0	0	0	0	11235896	46964672
Intra Segment Turnover																
Gross Turnover	1206489	32967154	3745763	9892163	6193700	0	1639587	1238244	4644057	2869111	0	0	0	11235896	46964672	
2. SEGMENT RESULT BEFORE INTEREST AND EXTRAORDINARY ITEMS AND TAXES																
Less:Interest	833133	844395	540465	776669	12049	0	1639587	1212514	4644057	2869111	0	0	-4203368	-2528043.5	3465923	3174645
	184285	311327	35875	137104	0	0	0	0	1028701	1083481	0	0	0	0	1248661	1531912
Profit Before Extra Extraordinary Items and Taxes	648848	533068	504791	639565	12049	0	1639587	1212514	3615356	1785630	0	0	-4203368	-2528044	2217262	1642734
Extra-ordinary Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit Before Taxes	648848	533068	504791	639565	12049	0	1639587	1212514	3615356	1785630	0	0	-4203368	-2528044	2217262	1642734
Current Tax	0	0	0	0	0	0	0	0	0	0	0	0	270000	218787	270000	218787
Deferred Tax	0	0	0	0	0	0	0	0	0	0	0	0	-18704	4127	-18704	4127
Net Profit After Tax	648848	533068	504791	639565	12049	0	1639587	1212514	3615356	1785630	0	0	-4454664	-2750958	1965966	1419820
3. Other Information																
Segment Assets	797605	3027066	775164	4632403	0	0	4355272	9615045	74380410	17533212	0	0	5323742	3740397	86632193	38546123
Segment Liabilities	146758	3741784	270263	2397763	0	0	1928606	0	13309712	7912356	0	0	296824	625457	15954163	14677359
Capital Expenditure	0	14200	0	0	0	0	0	0	0	0	0	0	3255637	10958	3255637	25158
Depreciation	30382	30116	0	0	0	0	0	0	0	0	0	0	178364	168013	208746	198129
Non Cash Expenses other than depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SECONDRY SEGEMENT INFORMATION																
1. Segment Revenue																
2. Segment Assets																
3. Segment Liabilities																
4. Capital Expenditure																

	2011-12	2010-11
1. Segment Revenue	11235896	46964672
2. Segment Assets	80308451	34807726
3. Segment Liabilities	15657339	14051902
4. Capital Expenditure	3255637	14200

(For members holding shares in physical form)

Date : _____

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

Dear Sir,

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

Reference : Folio No.\

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

Email Address :

Thanking you,

Yours faithfully,

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

----- ✂ -----

(For members holding shares in electronic form)

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

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ATHARV ENTERPRISES LTD

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

ATTENDANCE SLIP

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

Joint shareholders may obtain Additional Attendance slip on request
NAME AND ADDRESS OF THE SHAREHOLDER

Folio No. _____

No. of Shares held : _____

I hereby record my presence at the TWENTY SECOND ANNUAL GENERAL MEETING of the Company held on Friday, the 21st September, 2012, at 11.00 a.m. at 1039, E, Rajaram Road, Kolhapur - 416 008.

SIGNATURE OF THE SHAREHOLDER / PROXY*

*Strike out whichever is not applicable.

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ATHARV ENTERPRISES LTD

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

PROXY

Master Folio No.

I/We _____ of _____ being a member
/ members of Atharv Enterprises Ltd. hereby appoint Mr. / Mrs. / Miss. _____
or failing him / her _____ of _____ as
my / our proxy to attend and vote for me / us and on my / our behalf at the Twenty Second Annual General
Meeting to be held on Friday the 21st September, 2012 at 11.00 a.m. and at any Adjournment thereof.

Signed this _____ day of _____

Affix on
Rupee
Revenue
Stamp

Signature of the Shareholder

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

BOOK-POST

If undelivered, please return to :
ATHARV ENTERPRISES LIMITED
1039-E, Rajaram Road,
Kolhapur - 416 008,
MAHARASHTRA.