

**18th**

**ANNUAL REPORT**

**2007-2008**

Report  Junction.com

**ATHARV ENTERPRISES LTD**

( Earlier known as **Jaju Enterprises Ltd.** )

## **18th Annual Report 2007-08**

### **BOARD OF DIRECTORS**

Bippin S Jaju (Managing Director)  
Ritu N Jaju  
Pooja Jaju (Non - Executive)  
Rajendra Patel (Non - Executive, Independent)  
Bhushan Gandhi (Non - Executive, Independent, Chairperson)

### **BANKERS**

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

### **STATUTORY AUDITORS**

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

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### **REGISTERED OFFICE**

1039-E, Rajaram Road,  
Kolhapur - 416 008 (M.S.)  
Ph. : 0231-3254148  
Fax : 0231-2654148  
E-mail : [kpr\\_nrjaju@bsnl.in](mailto:kpr_nrjaju@bsnl.in)

### **REGISTRAR & TRANSFER AGENTS**

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

**ATHARV ENTERPRISES LTD.** (Earlier known as **Jaju Enterprises Ltd.**)**NOTICE**

NOTICE IS HEREBY given that the eighteenth Annual General Meeting of the members of ATHARV ENTERPRISES LIMITED will be held on Tuesday, the 30th day of September, 2008 at 11.00 a.m. at the Registered Office of the Company at 1039, 'E' Rajaram Road, Kolhapur - 416 008 to transact the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt Profit and Loss Account for the year ended 31st March, 2008 and Balance Sheet as on that date together with its Schedules and Notes annexed thereto and Director's Report and Auditor's Report thereon.
2. To re-appoint M/s. Sanjay Vhanbatte & Company, Chartered Accountants, as the auditors of the for the financial year 2008-09, 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 Mrs. Pooja Jaju who retires by rotation and being eligible has offered herself

for reappointment.

For &amp; on behalf of the Board

For **ATHARV ENTERPRISES LIMITED**

Place : Kolhapur

**Pooja Jaju**

Date : 12.08.2008

Non-Executive Chairperson

**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. The Share Transfer Books and the Register of Members of the Company shall remain closed from 28-09-2008 to 30-09-2008.

## REPORT ON CORPORATE GOVERNANCE

### FINANCIAL YEAR 2007 - 2008

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 shareholders. Corporate governance helps to achieve excellence to enhance shareholder's 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 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 interest of share holder's and other

business associates. At Atharv Enterprises Ltd. we believe & 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 31st March, 2008 of which 2 are Non-Executive and Independent and 1 is Non Executive and Independent Chairperson.

The Chief Executive Officer looks after the day to day affairs of the Company. The Managing Director looks after the yarn trading activity solely. The Board of Directors review Company's performance and approve, review policies / strategies and evaluate the management performance. The Board ensure legal 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 has four directors, the details of which are as follows :

|                    |                                      |                                      |
|--------------------|--------------------------------------|--------------------------------------|
| Mr. Bippin S Jaju  | Promoter – Managing Director         | - Remuneration Rs. 10000/- p.m.      |
| Mrs. Ritu Jaju     | Executive – Independent Director     | - Remuneration drawn Rs. 4000/- p.m. |
| Mrs. Pooja Jaju    | Non Executive Chairperson            | - No remuneration drawn              |
| Mr. Rajendra Patel | Non Executive – Independent Director | - No remuneration drawn              |
| Mr. Bhushan Gandhi | Non-Executive – Independent Director | - No remuneration drawn              |

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## b) NUMBER OF BOARD MEETINGS :

During the financial year ended on 31<sup>st</sup> March, 2008 Board meetings were held on the following dates viz. 28 April 2007, 10 August 2007, 15 October 2007, 11 January 2008 and 18 January 2008.

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 17<sup>th</sup> Annual General Meeting was held on 29<sup>th</sup> September, 2007.

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

## c) DIRECTOR'S ATTENDANCE RECORD AND DIRECTORSHIPS HELD :

| Name of the Director | Designation       | Category      | Board meetings held during the period | Board meetings attended during the period | Whether attended last AGM | Directorship in other public limited comp. Incorp. In India |
|----------------------|-------------------|---------------|---------------------------------------|---|---------------------------|---|
| Mr. Bippin S Jaju    | Managing Director | Promoter      | 5                                     | 5   | Yes                       | -   |
| Mrs. Ritu N Jaju     | Director          |               | 5                                     | 4   | Yes                       | -   |
| Mrs. Pooja Jaju      | Chairperson       | Non-Executive | 5                                     | 4   | No                        | -   |
| Mr. Rajendra Patel   | Director          | Independent   | 5                                     | 3   | No                        | -   |
| Mr. Bhushan Gandhi   | Director          | Independent   | 5                                     | 4   | Yes                       | -   |

None of the Directors is member of more than 10 Board level committees, or a Chairman of more than 5 Committees.

## d) INFORMATION SUPPLIED TO THE BOARD :

A detailed Agenda is sent to each Director sufficiently 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, alongwith comparison of actuals 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 egative 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 :-

Mrs. Ritu Jaju retired by rotation and was re-appointed at the previous Annual General Meeting.

## f) AUDIT COMMITTEE :

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

- a) To review 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
- Mr. Bhushan Gandhi, Mr. Rajendra Patel and Mrs. Pooja Jaju form the audit committee. Mr Nitten Jaju is secretary of the Committee.
- The Statutory Auditors are invited in the audit committee meeting as and when required by the Committee.

Audit Committee meetings were held during the financial year ended on 31<sup>st</sup> March 2008 on the following dates viz 30<sup>th</sup> April, 2007, 10<sup>th</sup> August, 2007 15 October 2007 and 11 January 2008. 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 attendance of each member is as under :

**ATHARV ENTERPRISES LTD.** (Earlier known as *Jaju Enterprises Ltd.*)

| Name of the Member | Position                             | Meetings attended |
|--------------------|--------------------------------------|-------------------|
| Mr Nitten Jaju     | Chief Executive                      | 4                 |
| Mr. Rajendra Patel | Independent & Non-Executive Director | 3                 |
| Mrs. Pooja Jaju    | Non-Executive Director               | 3                 |
| Mr. Bhushan Gandhi | Independent & Non-Executive Director | 3                 |

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

**h) INVESTORS GRIEVANCE & SHARE TRANSFER 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 committee has been reconstituted consequent to appointment of Mr. Bhushan Gandhi as Non-Executive Independent Director of the company. The Committee functions under the Chairmanship of Mr Bhushan Gandhi . The other members are Mr. Rajendra Patel, Mr. Bippin S Jaju and Mr. Nitten Jaju. Mr. Nitten Jaju, Chief Executive is the Secretary of the Committee. The Committee meets not less than twice in a year.

**i) COMPLIANCE OFFICER :**

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

During the period 11th August, 2007 to 12 August, 2008 the company has not received any complaint for non receipt of annual report. As at 12th August, 2008, there were no unresolved complaints.

**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 company has been de-registered as an NBFC by RBI since last year. The business is largely by way shares and yarn trading. The yarn trading and consignment agent activity at Ichalkaranji is progressing smoothly. The company is now

venturing as a partner in Biomass Briquetting plant in the name of Green Fuel Tech proposed at Chiplun, Dist. Ratnagiri. It has also formed a partnership in the name of Jai Mining Corporation and Shubh Labh Mines and are sourcing Bauxite Mines and clay sand for mining. 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 is expected to start work by September 08 end.

**Opportunities and threats** - Further, investment in shares has its pitfalls in terms of market conditions. 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. In terms of opportunities, investment in shares can give reasonable returns in the present booming share market. Yarn activity is a sustaining business and hence can provide business opportunity.

**Segment wise performance** – The company has booked reasonable income from investment in shares and from interest income. There have been no new NPAs. Yarn activity has shown profits in this year.

**Outlook** – The yarn business is encouraging and so is the investment in shares.

**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 Executive, internal controls are observed.

**Financial performance wrt operational performance** – The company has had a good profit this year due to income from investment in shares. The operational profit is Rs. 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

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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.

## 4. SHAREHOLDERS

### a) Annual General meetings :

Details of General Meetings of the Shareholders are under :-

| YEAR      | AGM/EGM | LOCATION   | DATE       | TIME       |
|-----------|---------|--|------------|------------|
| 2004-2005 | AGM     | 1039, E, Rajaram Road<br>Kolhapur - 416008       | 30.09.2005 | 11.00 A.M. |
| 2005-2006 | AGM     | 1039 E Rajaram Road<br>Kolhapur - 416008         | 29.09.2006 | 11.00 A.M. |
| 2006-2007 | AGM     | Panchvati 56, Shivaji Park,<br>Kolhapur - 416008 | 30.09.2007 | 11.00 A.M. |

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

### m) 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 :

All the non-compliances informed to the company by the Stock Exchange have been complied with. There are no other reported non-compliances by the company. 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 3rd June, 2003 due to prior non-compliances which are now fulfilled. The scrip still remains suspended and efforts are being taken to have the scrip re-listed on the stock exchange.

### n) 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.

### o) GENERAL SHAREHOLDERS INFORMATION :

#### i. Annual General Meeting :

Day, Date, time and Venue

Tuesday, 30<sup>th</sup> September, 2008 at 11.00 a.m.  
1039, 'E' Rajaram Road, Kolhapur

#### ii. Financial Calendar for 2008-2009 ( tentative ) :

Financial reporting for September, 2008 quarter results - 31 October, 2008

Financial reporting for December, 2008 quarter results - End January, 2009

#### iii. Book Closure Dates :

28.09.2008 to 30.09.2008

(both days inclusive)

#### iv. 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 1<sup>st</sup> April, 2007 to 31<sup>st</sup> March, 2008. Presently, the scrip is suspended by the Stock Exchange.

The Stock Exchange, Mumbai

Phiroze Jeejeebhoy Towers

Dalal Street, Mumbai - 400 001

Scrip Code - S30187

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

ISIN - INE354E01015

#### v. Stock price data for the period from 10<sup>th</sup> August, 2007 to 12<sup>th</sup> August, 2008 :

| Month | High ( Rs ) | Low (Rs) | Volume |
|-------|-------------|----------|--------|
|-------|-------------|----------|--------|

THE SCRIP IS SUSPENDED BY THE STOCK EXCHANGE SINCE 3 JUNE, 2003

#### vi. 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, 1<sup>st</sup> floor,

Makwana Road, Marol Naka, MUMBAI - 400 059

Phone : 022 - 2859 0942, 2850 3748

Fax : 022- 2692 4438

Email : adroits@vsnl.net



**ATHARV ENTERPRISES LTD.** (Earlier known as **Jaju Enterprises Ltd.**)**vii. Distribution of shareholding as at 12<sup>th</sup> August, 2008 :**

| No of equity Shares | No of share Holders | % of share Holders | No of shares held | % of share share holding |
|---------------------|---------------------|--------------------|-------------------|--------------------------|
| Upto 100            | 2050                | 64.38              | 205000            | 6.73                     |
| 101 - 500           | 882                 | 27.70              | 248700            | 8.16                     |
| 501 - 1000          | 129                 | 4.05               | 114300            | 3.75                     |
| 1001 - 2000         | 55                  | 1.73               | 83000             | 2.72                     |
| 2001 - 3000         | 23                  | 0.72               | 58550             | 1.92                     |
| 3001 - 4000         | 4                   | 0.12               | 13000             | 0.43                     |
| 4001 - 5000         | 10                  | 0.31               | 48275             | 1.58                     |
| 5001 - 10000        | 11                  | 0.35               | 77800             | 2.55                     |
| 10001 - 20000       | 7                   | 0.22               | 109600            | 3.60                     |
| 20001 - 50000       | 4                   | 0.13               | 124600            | 4.09                     |
| Above 50000         | 9                   | 0.28               | 1963675           | 64.46                    |
| <b>Total</b>        | <b>3184</b>         | <b>100.00</b>      | <b>3046500</b>    | <b>100.00</b>            |

**viii. Shareholding pattern as at 12<sup>th</sup> August, 2008 :**

| Category  | No of equity Share held | Percentage of Shareholding |
|---|-------------------------|----------------------------|
| *Promoter & Associates  | 1862625                 | 61.14%                     |
| *Financial Institutions /Banks/ Central/State Govt Institutions | 0                       | 0                          |
| *Mutual Funds and UTI   | 0                       | 0                          |
| *FIs  | 0                       | 0                          |
| *NRIs   | 500                     | 0.02%                      |
| *Domestic Corporate Bodies                                      | 179850                  | 5.90%                      |
| *Indian Public  | 1003525                 | 32.94%                     |
| <b>TOTAL</b>  | <b>3046500</b>          | <b>100.00%</b>             |

**2. Dematerialisation of shares and liquidity :**

As at 12<sup>th</sup> August, 2008, 74.70% total equity share capital is held in electronic mode in National Securities Depository Limited (NSDL) [68.60%] and Central Depository Services Ltd (CDSL) [6.10%]. 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. The total physical shares are 25.30 % of the total equity.

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

As at 12<sup>th</sup> August, 2008 there are no outstanding ADRs/GDRs/Warrants/Other convertible

instrument which has impact on the equity of the Company.

**4. Non-Compliance as Reported / identified by Auditors : Comments thereon**

a. 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.

b. The Company has formed a Joint Investor Grievance and share transfer committee. This however, is chaired by the Managing Director as against the requirement of non-executive director. The total shareholders of the company is only 3184. The values not being much a common

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committee for investor Grievance and share transfer is formed. The Board of Directors take an overview of the proceeding of this committee in every Board meeting.

## 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, 2008.

For ATHARV ENTERPRISES LTD

Kolhapur

Nitten Jaju

August 12, 2008

Chief Executive Officer

To,

The Members,

ATHARV ENTERPRISES LIMITED

We have examined the compliance of conditions of corporate governance by Atharv Enterprises Limited, for the year ended 31<sup>st</sup> March, 2008, as stipulated in clause 49 of the Listing Agreement of the said company with the Bombay 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 enduring the compliance of the conditions of the Corporate Governance as stated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

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

- ▶ The information of quarterly results is not put on the company's website but the same is sent in the format such as to enable the Stock Exchange on which the Company's shares are listed to put on its own website.
- ▶ The Code of Conduct for directors has not been posted on the company's website. However, the same is submitted to the Stock Exchange.
- ▶ The secretary of the audit committee is not a company secretary.
- ▶ The company has formed a Joint, Investor Grievance and share transfer committee. This committee also deals with share transfer. The

authority is not delegated to any officer.

- ▶ The Chairman is a Non-Executive Director who is a part of the Promoters Group. However, As per the recent amendment in Clause 49, considering the basis of the constitution of the Board of Directors of the company, in such a case, the Chairman either has to be a Non-Executive Independent director or the company needs to induct an additional Independent Director in the Board of directors of the company.

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

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,

Place – Kolhapur

Prasad Joshi (Mudshingikar)

Date - August , 12<sup>th</sup>, 2008

Proprietor

## DIRECTOR'S REPORT

To,

The Members,

ATHARV ENTERPRISES LIMITED

Your Directors have pleasure in presenting the 18th Annual Report with the Audited Statement of Accounts of your Company for the financial year ended 31st March, 2008.

## FINANCIAL RESULTS

(Rs. in. lacs)

|                                   | 2007-2008 | 2006-2007 |
|-----------------------------------|-----------|-----------|
| Gross Receipts                    | 284.82    | 397.83    |
| Profit / Loss before Depreciation | 17.12     | 10.17     |
| Depreciation                      | 1.68      | 1.78      |
| Net Profit / (Loss) for year      | 13.47     | 3.03      |

## 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.



**ATHARV ENTERPRISES LTD.** (Earlier known as *Jaju Enterprises Ltd.*)**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 do well in the coming year.

The Balance Sheet of our company shows a net profit of Rs. 13.47 lakhs for this financial year.

**FUTURE PROJECTS**

The Company has sufficient investment in shares. It has given excess funds as loans on call basis to know parties only. The yarn trading activity is quite established at Ichalkaranji.

The Company as a Co-promoter or as a partner has decided to expand into following new activities.

1. Biomass Briquetting Plant - The Company has entered into partnership with others to form M/s Green Fuel Tech in which the company shall have 21% stake. This firm is putting up a Biomass Briquetting Plant at Chiplun Dist. Ratnagiri.
2. Mining - The company has entered into partnership with others to form M/s. Jai Mining Corporation in which the company will have 25% stake. This firm shall do mining of bauxite etc. The firm has already applied for land for mining with the Mining officer, Kolhapur. The firm is awaiting future developments.
3. Clay Mining - The company has entered into partnership with others to form M/s. Shubh Labh Mines in which the company will have 28% stake. This firm has taken on lease land for clay mining and have applied for mining permission with relevant statutory authorities.
4. The company shall hold 51% stake in M/s. Atharv Agencies Pvt. Ltd. which has the franchise of M/s. Havells India Ltd. and has opened the first speciality electrical store for Havells in Maharashtra which is branded as 'Havells Galaxy.'
5. The company shall hold between 15-20% stake in M/s. Sunchemie Industries Pvt. Ltd. Sri Lanka which is a company registered with the Registrar of Companies, Sri Lanka and is a joint venture between Indian and Sri Lankan Promoters. The company is part of the Indian Promoters. The Sri Lankan Company has got all relevant clearances to put up a waste and used oils re-refining plant and the factory construction is expected to start next month. The total capital cost of the venture is estimated in the vicinity of USD 2.20 Million.

**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 2007-08 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 judgements 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 : The Company has used foreign exchange during the year under review.

**COMMENTS IN AUDITOR'S REPORT**

- 1) Amounts to Sunchemie and Conick Metals Ltd. have been given for short term and hence no interest is charged. However, to offset any interest