

NOTICE is hereby given that Sixteenth (16th) Annual General Meeting of the members of the company will be held on Thursday, 30th day of September, 2011 at 11.00 a.m. at the registered office of the company situated at 3, Rajesh Apartment, B/h. Navgujarat College, Ashram Road, Income Tax, Ahmedabad - 380 014 to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance sheet as on 31st March, 2011 and Profit and Loss Account for the year ended on that date along with the Directors Report and Auditors Report thereon.
2. To appoint a Director in place of Shri Satyanarayan J. Kabra, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Dinesh A. Turakhia, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

Date : 27-07-2011

Place : Ahmedabad

By Order of the Board of Directors

KRISHNAVATAR J KABRA
CHAIRMAN & MANAGING DIRECTOR

NOTES:

1. A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies and that a proxy need not be a member of the company. Proxies in order to be effective must be deposited not less than 48 hours before the commencement of the meeting.
2. The register of members and share transfer books will remain close from 25th September, 2011 to 30th September, 2011 (both days inclusive).
3. Members are requested to intimate about the change in address, if any.
4. Members are requested to bring the copies of the annual report as the same will not be distributed at the annual general meeting.

Date : 27-07-2011

Place : Ahmedabad

By Order of the Board of Directors

KRISHNAVATAR J KABRA
CHAIRMAN & MANAGING DIRECTOR

DIRECTORS' REPORT

To,
The members,

Your Directors have the pleasure in presenting the Annual Report together with the Audited Statement of Account for the year ending on 31st March, 2011.

Financial Results:

Particulars	Current Year	Previous Year
Income from Operation	7198243	17538948
Depreciation		
Profit / (Loss) for the year	3220123	3397277
Income Tax (Earlier year)	1100000	1045950
Profit / (Loss) after provision for Tax	2040135	2171635
Balance Brought forward from previous year	6679611	4507975
Balance carried to Balance sheet	8719745	6679611

DIVIDEND:

Your directors do not recommend any dividend for the year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The disclosures required to be made pursuant to the provisions of section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in respect of Report of Directors) Rules, 1988 are not applicable. There was no foreign exchange earnings and outgo during the year under the review.

PERSONNEL:

The information required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 do not apply.

DIRECTORS :

Shri Satyanarayan J. Kabra and Shri Dinesh A. Turakhia, Directors of the Company who retires by rotation under Article 104 of Articles of Association of the Company and being eligible offers themselves for re-appointment as directors of the Company.

AUDITORS:

The auditors M/s. V.K. Moondra & Co., Chartered Accountants offers themselves for reappointment at the ensuing annual general meeting. The company has received a letter from the auditors stating that their appointment if made will be within the limits of Section 224 (1) (B) of the Companies Act, 1956. The Directors recommend for their reappointment.

DEPOSITS:

Your Company has not contravened the provisions of Section 58 A of the Companies Act, 1956.

LISTING:

The shares of the company are listed at Ahmedabad Stock Exchange and Mumbai Stock Exchange (Trading in securities is suspended due to panel reason). Annual Listing fees of Bombay Stock Exchange, NSDL and CDSL are paid for the year 2010- 2011, while that of Ahmedabad Stock Exchange is unpaid. Trading in securities of the Company at BSE is under suspension.

DIRECTORS RESPONSIBILITY STATEMENT:

1. The annual accounts have been prepared by following the applicable accounting standards together with proper explanation relating to material departures.
2. 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 and loss account for that period.
3. The directors took proper and sufficient care for the maintenance of proper and adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
4. The annual accounts are prepared on going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS:

During the year under the review the capital market was a period of profit booking. The company has liquidated its investment made in the shares. The operating income was Rs. 7198243/-. Since investment made in the equity shares are subject to greater risk and return, the company expects that with the improvement in the capital market the risk will decline and there will be more returns. Further capital market is subject to various internal and external factors such global economic scenario, political stability, economic policies of the government, tax factors affecting the capital market etc. Though the directors of the company have a wide experience in the field of capital market but the company has no control over the external factors while making investment. However due to their wide experience and critical analysis the company is taking steps to overcome the situation.

Statements made in the above Para in regard to projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Many unforeseen factors may come into play and affect the actual results which could be different from what Directors envisage in terms of future performance and outlook.

APPRECIATION:

Your Directors wish to convey their thanks to all the bankers, suppliers, customers and other persons for their continued support to the company.

Date : 27-07-2011

Place : Ahmedabad

By Order of the Board of Directors

KRISHNAVATAR J KABRA
CHAIRMAN & MANAGING DIRECTOR

CORPORATE GOVERNANCE

The company pursuant to the code on Corporate Governance introduced by the Securities and Exchange Board of India [SEBI] furnishes its report as under:

1. COMPANY PHILOSOPHY ON CODE OF GOVERNANCE :

The company philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity in all facts of its operations, and in all its inceptions with its stakeholders, including shareholders, employees and the government. Arihant Avenues & Credit Limited believes in enhancing shareholders value, over a period of time.

The company firmly believes in and has consistently practiced good corporate governance for the efficient conduct of its business and for meeting its obligations towards all its shareholders.

The company has tuned up its corporate governance practice so as to bring them in conformity with requirements of clause 49 of the listing agreement.

2. COMPOSITION OF BOARD OF DIRECTORS:

30/4/2010, 17/06/2010, 31/7/2010, 30/10/2010 and 31/1/2011.

Sr. No.	Name of the Director	Category of Director	No. of Board meetings	Attendance at the last AGM	No. of other directorship held	No. of committee/ membership* attended held in other company
1	Krishnaavtar Kabra	Chairman & Managing Director	5	Yes	1	Nil
2	Satyanarayan Kabra	Executive	5	Yes	1	Nil
3	Pawankumar Somani	Non-Executive Independent	5	Yes	Nil	Nil
4	Dinesh A. Turakhia	Non-Executive Independent	5	Yes	Nil	Nil
5	Jayantilal N. Shah	Non-Executive Independent	5	Yes	Nil	Nil

* Only Remuneration Committee, Shareholders / Investors Grievance Committee and Audit Committee are considered for the purpose.

The information required to be given for the Directors seeking reappointment at the Annual General Meeting as per clause 49 (VI) is as under:

Name of the Director	Mr. Satyanarayan J Kabra
Father Name	Jagannath Kabra
Date of Birth	02/04/1960
Date of Appointment	16/08/2003
Qualification	B. Com
Name of the Companies in which he is a director other than Arihant Avenues & Credit Limited	Maya Texturisers Pvt. Ltd.
Specific functional Areas	He has rich experience in field of Invest, Finance and Industry Matters

Name of the Director	Mr. Dinesh A. Turakhia
Father Name	A. Turakhia
Date of Birth	05/09/1952
Date of Appointment	05/10/2003
Qualification	B. Com
Name of the Companies in which he is a director other than Arihant Avenues & Credit Limited	Nil
Specific functional Areas	He has expert knowledge of accounting and investment matters.

3. **AUDIT COMMITTEE :**

The company has constituted audit committee consisting of Shri Pawankumar Somani (Chairman), Shri Jayantibhai N. Shah and Shri Dinesh A. Turakhia.

The terms of reference are as specified in Section 292A of the Companies Act, 1956 and clause 49 of the Listing agreement. During the year the committee met on 30/4/2010, 17/06/2010, 31/7/2010, 30/10/2010 and 31/1/2011.

Sr. No.	Name of the Director	Category of Director	No. of Board meetings	Attendance at the last AGM	No. of other directorship held	No. of committee/ membership* attended held in other company
1	Krishnaavtar Kabra	Chairman & Managing Director	5	Yes	1	Nil
2	Satyanarayan Kabra	Executive	5	Yes	1	Nil
3	Pawankumar Somani	Non-Executive Independent	5	Yes	Nil	Nil
4	Dinesh A. Turakhia	Non-Executive Independent	5	Yes	Nil	Nil
5	Jayantilal N. Shah	Non-Executive Independent	5	Yes	Nil	Nil

The minutes of the Audit committee are circulated to the Board members.

4. REMUNERATION COMMITTEE:

The remuneration committee consists of Shri Pawankumar Somani [Chairman], Shri Jayantibhai N. Shah and Shri Dinesh A. Turakhia.

Since there was no proposal for the enhancement of remuneration of Directors, the committee did not meet any time during the year.

The remuneration committee has been constituted to recommend / review the remuneration package of the Managing / Whole time Director based on the performance and defined criteria. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is consistent with the industry practice.

During the year under the review the company has paid salary of Rs. 90,000 to Shri Krishnaavtar J. Kabra.

5. SHAREHOLDERS COMMITTEE:

Sr. No.	Name of the Director	Category of Director	No. of Board meetings	Attendance at the last AGM	No. of other directorship held	No. of committee/ membership* attended held in other company
1	Krishnaavtar Kabra	Chairman & Managing Director	5	Yes	1	Nil
2	Satyanarayan Kabra	Executive	5	Yes	1	Nil
3	Pawankumar Somani	Non-Executive Independent	5	Yes	Nil	Nil
4	Dinesh A. Turakhia	Non-Executive Independent	5	Yes	Nil	Nil
5	Jayantilal N. Shah	Non-Executive Independent	5	Yes	Nil	Nil

The Shareholders committee consists of Shri Pawankumar Somani [Chairman], Shri Dinesh A. Turakhia and Shri Jayantilal N. Shah

Name and Designation of the Compliance Officer: Shri Krishnaavtar J. Kabra, Managing Director.

During the year under the review no investor's complaints was received.

6. GENERAL BODY MEETINGS:

The date, time and venue of last three annual general meetings are as follow :

YEAR	LOCATION	DAY & DATE	TIME
2009 - 2010	3, Rajesh Apartment, B/h. Navgujarat College, Ashram Road, Income Tax, Ahmedabad - 380014	Thursday, 30 th September, 2010	11.00A.M.
2008 - 2009	3, Rajesh Apartment, B/h. Navgujarat College, Ashram Road, Income Tax, Ahmedabad - 380014	Wednesday 30 th September, 2009	11.00A.M.
2007 - 2008	3, Rajesh Apartment, B/h. Navgujarat College, Ashram Road, Income Tax, Ahmedabad - 380014	Tuesday 30 th September, 2008	11.00A.M.

No special resolution was put at vote during the last three AGM.

No resolution was proposed to be passed through postal ballot. No resolution is propose to pass at this annual general meeting.

7. CODE OF CONDUCT

The Board of Directors has already adopted the Code of Ethics and Business Conduct for the Directors and Senior Management personnel. This code is a comprehensive code applicable to all Directors, Executive as well as Non - executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. A declaration given by the Managing Director and CEO is given below:

The Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2010 - 2011.

KRISHNAVATAR J KABRA
CHAIRMAN & MANAGING DIRECTOR

Subsidiary Company: The Company does not have any subsidiary company.

8. SHAREHOLDERS INFORMATION :

(i) Annual General Meeting Date, Time and Venue	Friday Date : 30 th September 2011 Time: 11.00 A.M. Venue : Registered Office
(ii) Financial Calendar Year	1 st April, 2010 to 31 st March, 2011
(iii) Date of Book Closure (both days inclusive)	25 th September 2011 to 30 th September 2011
(iv) Dividend Payment Date	Not applicable
(v) ISIN No. for ordinary shares of the company in Demat form	INE193D01019
(vi) Registered Office	3, Rajesh Apartment, B/h. Navgujarat College, Ashram Road, Income Tax, Ahmedabad - 380014
(vii) Registrar and Transfer Agent	Sharepro Services, 3 rd Floor, Satam Industrial Estate, Chakala, Andheri (East), Mumbai - 400 099
(viii) Plant Locations	Not applicable
(ix) Investor Correspondence	Arihant Avenues and Credit Limited 3, Rajesh Apartment, B/h. Navgujarat College, Ashram Road, Income Tax, Ahmedabad - 380014
(x) Means of Communication	The company sends its quarterly results in Stock Exchanges.
(xi) Any Website where it displays official releases	Yes. www.aacl.in
(xii) Any presentation made to the institutional investor and analyst	No
(xiii) Is half yearly report sent to the shareholders	No
(xiv) Whether Management Discussion and Analysis is a part of this report	Yes
(xv) Share Transfer System	The work of physical share transfer is handled by Registrar and Transfer Agent. Physical share transfers are normally processed within a period of 25 - 30 days.
(xvi) Listing and Stock Code	Bombay Stock Exchange - 531553 Ahmedabad Stock Exchange - 04898
(xvii) The name and address of Stock Exchanges where Company is listed	1. The Stock Exchange, Ahmedabad First Floor, Kamdhenu Complex, Panjara Pole, Ambawadi, Ahmedabad - 380 012. 2. The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

(xviii) Distribution of Shareholdings :as on 31-03-2011

From	To	No. of Shareholders	No. of Shares held
0	5000	2526	562200
5001	10000	10	90800
10001	20000	8	112600
20001	30000	8	225600
30001	40000	1	32500
40001	50000	1	50000
50001	100000	10	907300
100000 & Above		19	5334500
TOTAL		2583	7315500

Shareholding Pattern as on 31.03.2011

Categories of Shareholders	Resident	Non-Resident	% of Shareholding
Promoters	3518800	—	48.10
Corporate Bodies			
Indian Public	3796700		51.90
NRI/ OCR's			
In Transit			
Total	7315500	—	100.00

Dematerialization of Shares As on 31.03.2011, **3972700 (54.31%)** shares of the Company's Share Capital had been dematerialized

9. DISCLOSURES:

- 1) Listing Fees: As disclosed in the Directors Report.
- 2) Outstanding GDR/ADR/ Warrants or any Convertible instruments, Conversion date and likely impact on equity:
Your Company has not issued any outstanding GDR / ADR / Warrants or any other convertible instruments.
- 3) Disclosure on materially significant related party transactions:
There have been no materially related party transactions adversely affecting the interest of the company.
- 4) Details of Non – Compliance by Your Company, penalties imposed on your company by the Stock Exchanges, SEBI or any statutory authorities or any matter related to capital markets:
During the year under the review there was no penalty imposed on the company by SEBI or any Stock Exchange or any other authorities on any matter related to the capital markets.
- 5) Query on Annual Report: 3, Rajesh Apartment, B/h. Navgujarat College, Ashram Road, Income Tax, Ahmedabad – 380 014

By Order of the Board of Directors

Date: 27-07-2011
Place: Ahmedabad

KRISHNAVATAR J KABRA
CHAIRMAN &MANAGING DIRECTOR

DECLARATION**ANNUAL DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO) PURSUANT TO CLAUSE 49 (i) (d) (ii) OF THE LISTING AGREEMENT**

I, Krishnaavtar J Kabra As the Managing Director of Arihant Avenues & credit Limited and as required by Clause 49 (i) (d) (ii) of the Listing Agreement, hereby declare that all the Board Members and the Senior Management personnel of the Company have affirmed Compliance with the Company's Code of Business Conduct and Ethics, for the Financial Year 2010 -11

FOR AND ON BEHALF OF THE BOARD,

Place; Ahmadabad
Date: 27-07-2011

Sd/-
KRISHNAVATAR J KABRA
CHAIRMAN & MANAGING DIRECTOR