

SARTHAK GLOBAL LIMITED

**22**<sup>nd</sup>  
**Annual  
Report**  
**2006 - 2007**

**SARTHAK GLOBAL LIMITED**

**SARTHAK GLOBAL LIMITED**  
**(Formerly known as Avanti Finance Limited)**

<b>BOARD OF DIRECTORS</b>	<b>:</b>	<b>SHRI S.R. RATHI</b> <b>DIRECTOR</b>
		<b>SHRI BABULAL JAIN</b> <b>DIRECTOR</b>
		<b>UMESH AGRAWAL</b> <b>DIRECTOR</b>
<b>BANKERS</b>	<b>:</b>	<b>STATE BANK OF INDORE</b>
<b>REGISTERED OFFICE</b>	<b>:</b>	<b>708, TULSIANI CHAMBERS,</b> <b>NARIMAN POINT, MUMBAI - 400 021</b>
<b>CORPORATE OFFICE</b>	<b>:</b>	<b>170/10, FILM COLONY,</b> <b>R.N.T. MARG, INDORE - 452001 (M.P.)</b>
<b>AUDITORS</b>	<b>:</b>	<b>M/S GUPTA &amp; ASHOK,</b> <b>CHARTERED ACCOUNTANTS,</b> <b>226, SUNRISE TOWER,</b> <b>579, M.G. ROAD, INDORE</b>

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**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**NOTICE**

NOTICE is hereby given that the Twenty Second Annual General Meeting of the members of Sarthak Global Limited will be held at 706, Tulsiani Chambers, Nariman Point, Mumbai - 400 021 on Saturday, the 29<sup>th</sup> Day of September, 2007 at 3.00 p.m. to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2007 and the Profit & Loss Account for the year ended 31<sup>st</sup> March, 2007 together with the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri S.R. RATHI, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**Regd. Office:**

706, Tulsiani Chambers,  
Nariman Point  
Mumbai - 400 021

By order of the Board of Directors.

Place: Indore

(Umesh Agrawal)  
Director

Dated: 1<sup>st</sup> September, 2007

### 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 A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Register of Members and Share Transfer Books of the Company will remain closed from 27<sup>th</sup> September, 2007 to 28<sup>th</sup> September, 2007 (both days inclusive).
3. Members are requested to:
  - a. Complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
  - b. Bring their copies of the Annual Report at the time of attending the Annual General Meeting.
  - c. Send their questions at least 10 days in advance before the Annual General Meeting about any further information on accounts so as to enable the Company to answer their question satisfactorily.
4. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturday between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.
5. Members who hold shares in dematerialized form are requested to bring their Client ID and DPID Nos. for easy identification of attendance at the meeting.

### ANNEXURE TO NOTICE

Notes on Directors seeking appointments/ reappointment as required under Clause 49 of the Listing Agreement entered into with the Stock Exchange and details regarding shareholding of Non Executive Directors:

Mr. S. R. Rathi retire by rotation and being eligible offer himself for reappointment. He is associated with the Company, since March, 2004. He has 30 years of vast experience in the field of accounts, finance and taxation. He is not on the Board of any public limited company. He is holding Nil share in the Company.

Other Non-Executive Directors are holding Nil share in the Company

**Regd. Office:**

706, Tulsiani Chambers,  
Nariman Point,  
Mumbai - 400 021

By order of the Board of Directors

(Umesh Agrawal)

Place: Indore

Dated: 1<sup>st</sup> September, 2007

Director

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**DIRECTORS REPORT**

Dear Shareholders,  
Your Directors have pleasure in presenting Twenty Second Annual Report together with the Audited Statement of Accounts of the company for the year ended 31st March, 2007.

**FINANCIAL RESULTS**

	(Rs. in Lacs)	
	2006-2007	2005-06
Sales and other Income	29.56	990.46
Gross Profit	9.03	62.72
Depreciation	3.07	3.77
Profit before tax	5.96	58.95
Provision for Taxation for the year	(0.64)	(3.36)
Prior Period Adjustment	0.02	1.20
Provision for FBT	0.05	0.08
Profit after Taxation	6.53	61.03
Balance brought forward from previous year	148.68	87.65
Amount available for appropriation	155.21	148.69
APPROPRIATION	---	---
Amount Carried to Balance sheet	155.21	148.69

**DIVIDEND**

In view of diversification of operations of the company, the directors have decided to plough back the profits to build the financial strength of the company. Hence no Dividend has been recommended for the year under review.

**OPERATIONS**

During the year under review, the Profit before tax of Rs. 5.96 lacs and for the previous year was Rs. 58.95 lacs. The profit after tax for the current year stood at Rs. 5.25 lacs and for the previous year was Rs. 61.03 lacs.

**HUMAN RESOURCE & INDUSTRIAL RELATIONS**

Industrial relations were harmonious throughout the year. The board wishes to place on record their sincere appreciation to the co-operation extended by all employees in maintaining cordial relations.

**DIRECTORS**

Shri S.R. Rathi, Director of the Company retires by rotation in accordance with the provisions of Articles of Association of the Company and being eligible offer himself for re-appointment.

**INSURANCE**

All properties and insurable interests of the company including Building and Plant & Machinery have been adequately insured.

**PUBLIC DEPOSITS**

The company has not accepted any deposits from the public during the year under review.

**PARTICULARS OF EMPLOYEES**

During the year under review, there was no employee covered under the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**SARTHAK GLOBAL LIMITED**  
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**CORPORATE GOVERNANCE**

Pursuant to clause 49 of the listing agreements with the stock exchanges, a Management Discussion and Analysis Report, Corporate Governance Report and Auditors' certificate regarding compliance of conditions of corporate governance are made a part of the annual report.

**STATUTORY ANNUAL AUDIT**

The auditor's observations on the accounts have been extensively dealt with in the notes and are self-explanatory. Reasons behind non-provision of doubtful debts is that, the debtors are still good and the directors are very much confident for recovery of debts on account of long association with debtors and good business relation with them.

**AUDITORS & AUDITORS REPORT**

M/s. Gupta & Ashok, Chartered Accountants, Statutory Auditors of the company, hold office until the conclusion of the forthcoming annual general meeting and are eligible for re-appointment. The company has received letters from them to the effect that their appointment, if made, would be within the prescribed limits under section 224(1-B) of the Companies Act, 1956 and also that they are not otherwise disqualified within the meaning of sub section (3) of section 226 of the Companies Act, 1956, for such appointment.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

The company is in compliance with various accounting and financial reporting requirements in respect of the financial statement for the period under review. Pursuant to section 217(2AA) of the Companies Act, 1956, and in respect of the annual accounts for the period under review, the director hereby confirms that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed;
- (ii) appropriate accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- (iii) proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities have been taken to the best of their knowledge and ability;
- (iv) the annual accounts have been prepared on a "going concern basis".

**ACKNOWLEDGMENTS**

The directors wish to convey their appreciation to all of the company's employees for their enormous personal efforts as well as their collective contribution during the year. The directors would also like to thank the shareholders, customers, suppliers, bankers, financial institutions and all other business associates for their continuous support given by them to the company and their confidence in the management.

Place: Indore

Dated: 1<sup>st</sup> September, 2007

By order of the Board of Directors

(Umesh Agrawal)

Director

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**General Economic Environment**

After several years of depressed market conditions, the financial year 2006-2007 witnessed a welcome growth for the Indian Economy. India's economy, which has expanded by an average annual 8.6 per cent in the past three years, is the fastest growing after neighboring China. After a great rate of 9% in the previous year, the economy has grown at 9.2% in the year 2006-2007.

**Registrar and Share Transfer Activities:**

Your Company is registered as a share transfer agent from SEBI since 1995. It is successfully handling share transfer activities for various client companies & serving more than 100000 shareholders. In compliance with SEBI's circular of single point share transfer & demat activities, the company has taken direct electronic connectivity from both the depositories i.e. National Securities Depositories Ltd (NSDL) & Central Depositories Services Ltd (CDSL).

**Merchant Trading:**

Depending on market opportunities the company is undertaking Merchant Trading activities of various commodities

**Outlook**

Company is now looking forward for opportunities to get more business from corporate in the field of share transfer & other capital market activities.

**Risk and concerns**

Profitability may be affected on account of competition from existing registrar and share transfer agents. Changes in Govt. /SEBI policies, etc. may affect profitability and working of the Company.

**Internal control system and their adequacy**

The Company maintains adequate internal control systems, which provide reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of company assets and compliance with applicable laws and regulations, etc.

**Financials**

	(Rs. in Lacs)	
	2006-2007	2005-06
Sales and other Income	29.56	990.46
Gross Profit	9.03	62.72
Depreciation	3.07	3.77
Profit before tax	5.96	58.95
Provision for Taxation for the year	(0.64)	(3.36)

**SARTHAK GLOBAL LIMITED**  
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Prior Period Adjustment	0.02	1.20
Provision for FBT	0.05	0.08
Profit after Taxation	6.53	61.03
Balance brought forward from previous year	148.68	87.65
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APPROPRIATION	---	---
Amount Carried to Balance sheet	<b>155.21</b>	<b>148.69</b>

**Material development in Human & other Resources / Industrial Relations front**

The company is being equipped with all the modern amenities like Intranet, Internet all the latest models of computers & printers. By intensive training from both the depositories and up gradation of systems & software, transfer & demat work is being managed successfully.

Further, your company considers the quality of its human resources to be most important asset and constantly endeavors to attract and recruit best possible talent. Our training programs emphasize on general management perspective to business. The Company continues to empower its people and provide a stimulating professional environment to its officers to excel in their respective functional disciplines. The industrial relations of the Company continue to remain harmonious and cordial with focus on improving productivity and quality.

**Cautionary Statement**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.



## CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY :

Sarthak Global Limited believes in conducting its affairs in a fair, transparent and professional manner and in maintaining the highest ethical standards in its dealing with all its constituents. The goal of any system would be to achieve the best performance within the overall context of the prevalent economic environment so as to secure the maximum benefit for all the stakeholders. For this to be achieved, governance has to be an integral part of the beliefs, values, culture and ethics of an organization.

The Management of your Company endeavors to adopt the best practices in Corporate Governance and thereby aims to enhance the values of all its shareholders.

In so far as compliance with the requirements of clause 49 of the listing agreement with the Indian stock exchanges is concerned, the company is in full compliance with the norms and disclosures that have to be made on corporate governance format.

### BOARD OF DIRECTORS:

The number of independent directors is more than one-third of the total number of directors. The number of non-executive directors is more than 50% of the total number of directors.

None of the directors on the board is a members on more than 10 committees and chairman of more than 5 committees (as specified in clause 49), across all the public limited companies in which he is a director.

The name and categories of the directors on the board, their attendance at board meetings during the year and at the last annual general meeting, as also the number of directorships and committee memberships held by them in other public limited companies are given below :

### COMPOSITION AND CATEGORY OF DIRECTORS

Name of the Directory	Category	Attendance		No. of Directorship Committee Positions held in other Public Limited Companies		
		Board	Last AGM	Directorship	Committee Chairmanship	Committee Membership
Shri Umesh Agrawal	Executive	3	Yes	---	---	---
Shri S.R. Rathi	Independent	5	Yes	---	---	---
Shri Babulal Jain	Independent director	3	No	---	---	---
Ms. Vibha Purey	Independent director	1	No	---	---	---

Ms. Vibha Purey has resigned w.e.f. 1<sup>st</sup> June, 2006

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT**

Shri S.R. Rathi, Director of the Company retires by rotation in accordance with the provisions of Articles of Association of the Company and being eligible offer himself for re-appointment. Shri S.R. Rathi is a He is a Bachelor of Commerce and Bachelor of Law and is having more than 30 years of vast experience in the field of accounts, finance and taxation. He is not on the Board of any public limited company.

**BOARD PROCEDURE:**

During the financial year 2006-07, the board of directors met on the following dates: 28<sup>th</sup> April, 2006, 29<sup>th</sup> July, 2006, 2<sup>nd</sup> September, 2006, 30<sup>th</sup> October, 2006 and 31<sup>st</sup> January, 2007. The gap between two meetings did not exceed four months, as mentioned in clause 49 of the listing agreement. The dates of meetings were generally decided in advance. Key information is placed before the board of directors to appraise corporate governance.

**AUDIT COMMITTEE:**

**Brief description of terms of reference:**

The terms of reference specified by the board to the audit committee are as contained under clause 49 of the listing agreement with the stock exchanges read with section 202A of the Companies (Amendment) Act, 2000.

**Composition of Committee and attendance of members :**

The Committee comprises of Shri S.R. Rathi (chairman of the committee), Shri Babulal Jain and Shri Umesh Agrawal. The committee met on the following dates: 28<sup>th</sup> April 2006, 29<sup>th</sup> July 2006, 2<sup>nd</sup> September 2006, 30<sup>th</sup> October 2006 & 31<sup>st</sup> January, 2007. Shri S.R. Rathi attended 5 meetings, while Shri Umesh Agrawal and Shri Babulal Jain attended 3.

**SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:**

**Brief description of terms of reference:**

The committee looks into the redressal of shareholders'/investors' complaints like transfer of shares, non receipt of annual report, non receipt of dividend, etc and improve the efficiency in investors service, wherever possible.

**Chairman** : Shri S.R. Rathi  
**Members** : Shri Umesh Agrawal & Shri Babulal Jain

No investor's complaints were received during the financial year 2006-07. All valid share transfers received during the year 2006-07 have been acted upon by the company and as on 31<sup>st</sup> March, 2007 there were Nil shares pending for transfers.

**GENERAL BODY MEETINGS:**

The last three Annual General Meetings of the Company were held as under:

YEAR	VENUE	DATE	TIME
2005-2006	706, Tulsiani Chambers, Nariman Point, Mumbai	30/9/2006	3.00 pm
2004-2005	706, Tulsiani Chambers, Nariman Point, Mumbai	28/9/2005	3.00 pm.
2003-2004	706, Tulsiani Chambers, Nariman Point, Mumbai	30/9/2004	3.00 pm

All the special resolutions, if any, passed in the last three annual general meeting were put to vote by show of hands and were passed with the requisite majority. No special resolutions were put through postal ballot last year. None of the business required to be transacted at this annual general meeting is proposed to be passed by postal ballot.

**SARTHAK GLOBAL LIMITED**  
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**DISCLOSURES:**

The company did not have any related party transactions, which may have potential conflict with its interest at large.

The company has complied with the requirements of the regulatory authorities on capital markets and no penalties have been imposed against it in the last three years.

**MEANS OF COMMUNICATIONS:**

The quarterly and yearly financial results of the Company are published in the newspapers namely Free Press Journal & Navshakti (both Mumbai edition).

**GENERAL SHAREHOLDERS INFORMATION :**

**Date, Time & Venue of the Annual General Meeting:**

29<sup>th</sup> September, 2007 at 3 p.m.  
706, Tulsiani Chambers,  
Nariman Point, Mumbai 400 021

**Financial Calendar:**

The Company follows April- March as its financial year. The results for every quarter beginning from April are declared in the month following the quarter.

**Date of Book closure:**

27<sup>th</sup> September, 2007 to 28<sup>th</sup> September, 2007 (Both days inclusive)

**Listing on Stock Exchanges at:**

The Stock Exchange, Mumbai. (Stock Code 530993)  
Madhya Pradesh Stock Exchange.

**Listing Fees:**

Paid for the above stock exchanges for the financial year 2006-07.

**Electronic Connectivity:**

National Security Depository Ltd. & Central Depository Services (India) Ltd.

**ISIN No. at NSDL & CDSL:** INE 075 H 01019

**Market Price Data:**

The companies shares were not traded at any of the stock exchange during FY- 2006-07.

**Distribution of Equity Shareholding and its pattern as on 31<sup>st</sup> March, 2007**

**Distribution of Equity Shareholding**

Share Class	No. of Holders	Equity Shares	
		Shares held	Shareholding %
Up to 500	373	132000	4.40
501-1000	32	25900	0.86
1001-2000	18	26000	0.87
2001-3000	10	25400	0.85
3001-4000	2	7000	0.23
4001-5000	3	14000	0.47
5001-10000	12	105700	3.52
<b>Total</b>	<b>487</b>	<b>3000000</b>	<b>100.00</b>

**Shareholding Pattern**

Category	No. of Shares	Shareholding %
Promoters	2104900	70.17
Bank, Mutual Funds & FIs	---	----
Domestic Corporate Bodies	499600	16.65
Indian Public	395500	13.18
NRIs/OCBs/FIIs	----	----
	<b>3000000</b>	<b>100.00</b>

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**Dematerialization of shares and liquidity**

The company's shares are traded compulsory in demat mode under ISIN code INE 075 H 01019. The National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) are the depositories, holding Company's share in demat mode. As on 31<sup>st</sup> March, 2007 out of 3000000 equity shares of Rs. 10/- each, 706200 equity shares were held in electric form.

**Address for correspondence**

Sarthak Global Limited  
170/10, Film Colony,  
R.N.T. Marg,  
Indore-452001 (M.P.)

**To the Members of  
SARTHAK GLOBAL LIMITED**

We have examined the compliance of conditions of corporate governance by Sarthak Global Limited for the year ended 31st March, 2007 as stipulated in clause 49 of the listing agreement.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of the certificate of corporate governance as stipulated 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, we certify that the company has complied with the conditions of corporate governance as stipulated in clause 49 of the above mentioned listing agreement.*

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

For Gupta & Ashok,  
Chartered Accountants  
**Ashok Agrawal**  
(Partner)

Place: Indore

Date: 1<sup>st</sup> September, 2007

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**GUPTA AND ASHOK**  
Chartered Accountants  
226, Sunrise Tower, 2nd Floor,  
579, M.G. Road, Indore 452 001

**REPORT OF THE AUDITORS TO THE SHARE HOLDERS**

We have audited the attached Balance Sheet of M/S Sarthak Global Limited (Formerly known as Avanti Finance Limited) Mumbai, as at 31<sup>st</sup> March, 2007 and also the Profit and Loss account and the cash flow statement 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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said order.

Further to our comments in the annexure referred to above, we report that: -

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion, proper books of accounts as required by law have been kept by the company, so far as appears from our examinations of the books.
3. The Balance Sheet, the Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
4. In our opinion, the profit and loss account, Balance Sheet and cash flow statement dealt with by this report comply with the accounting standards referred to in Section 211(3c) of the Companies Act, 1956 to the extent applicable except our comments elsewhere in this report.
5. On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2007, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to explanations given to us and subject to non-provision towards diminution in value of investments (amount not ascertained) and note No. 3 and 4 of Notes on accounts under part B of schedule 15 as under;

**NOTE NO.3 :** Regarding non-provision towards doubtful advances of Rs. 1309413/-.

**NOTE NO.4 :** Regarding non-confirmation of balances from debtors, creditors and loans and advances, the said accounts give the information required by the companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- a. in the case of the balance sheet, of the state of affairs of the company as at 31st March, 2007
- b. in the case of the profit and loss account, of the Profit for the year ended on that date; and
- c. in the case of cash flow statement, of the cash flows for the year ended on that date.

Place: Indore  
Date: 1<sup>st</sup> September 2007

**FOR GUPTA AND ASHOK**  
CHARTERED ACCOUNTANT

ASHOK AGRAWAL  
M.NO. 71274  
(PARTNER)

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

M/S Sarthak Global Limited (Formerly known as Avanti Finance Limited) Mumbai, as at 31st March, 2007

Annexure referred to in paragraph 3 of our report of even date

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off substantial part of fixed assets.
- (ii) (a) The Company is engaged in trading activity besides acting as registrar & share transfer agent. As explained to us, inventories have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable, having regard to the nature of business of the company.
- (b) In our opinion and according to the information and explanations 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) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the books records were not material and the same have been properly dealt with in the books of accounts.
- (iii) (a) According to the information and explanations given to us, during the year, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained in the register under section 301 of the Companies Act, 1956. Therefore clauses iii(b), iii(c) and iii(d) of paragraph 4 of the Order, are not applicable.
- (b) According to the information and explanations given to us, during the year, the company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained in the register under section 301 of the Companies Act, 1956. Therefore clauses iii(f) and iii(g) of paragraph 4 of the Order, are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system
- (v) On the basis of representation made by the management and scrutiny of books of accounts carried out by us, there was no information that need to be entered in the register in pursuance of section 301 of the Companies Act, 1956. Therefore clauses v (b) of paragraph 4 of the Order, are not applicable.
- (vi) According to the information and explanations given to us and on the basis of our checking during the course of audit, the company has not accepted any deposits from the public during the year and consequently, the directives issued by the Reserve Bank of India, the provisions of section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

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- (viii) According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales tax, service tax, custom duty, cess and other material statutory dues applicable to it.  
(b) According to information and explanations given to us, there are no dues of sales tax, service tax, custom duty, and cess which have not been deposited on account of any dispute. Under income tax act demands have been raised Rs. 2567058/- relating to assessment year 1996-97, 1997-98 and 1999-2000 & 2003-2004 with penalty Rs. 4795085/, against which amount deposited Rs. 1996992/- up to 31.3.2007. The appeals are pending before The Income Tax Appellate Tribunal Mumbai except for AY 03-04, pending with CIT Appeals Mumbai.
- (x) The company has not incurred any cash loss during the financial year covered by our audit and the immediately preceding financial year and has no accumulated losses.
- (xi) The company did not have any outstanding dues to any financial institution, banks or debenture holders during the year.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi or mutual fund society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) Proper and timely records of the transactions and contracts relating to purchase and sale of shares, securities, debentures and other investments have been maintained. These have been held by the company in its own name.
- (xv) The company has not given any guarantee for loan taken by others during the years. Accordingly, the provisions of clause 4(xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xvi) The company has not obtained any term loans. Accordingly, the provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The company has not made any issue of shares during the year.
- (xix) The company has not issued debentures during the year.
- (xx) The company has not made any public issue during the year.
- (xxi) Based upon audit procedures performed and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

FOR GUPTA AND ASHOK  
CHARTERED ACCOUNTANTS

Place: Indore  
Date: 1<sup>st</sup> September 2007

ASHOK AGRAWAL  
M.NO. 71274  
(PARTNER)

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**Balance Sheet as at 31st March, 2007**

Particulars	Schedule	As at 31/03/07 Rs.	As at 31/03/06 Rs.
<b>Sources of Funds</b>			
(1) Share Holder's Funds			
(a) Share Capital	1	30000000	30000000
(b) Reserve and Surplus	2	19220013	18568202
		<u>49220013</u>	<u>48568202</u>
(2) Loan Funds			
(a) Unsecured Loans			
(b) Inter Corporate Deposit		<u>6019250</u>	<u>6019250</u>
	<b>Total</b>	<u><b>55239263</b></u>	<u><b>54587452</b></u>
<b>Application Of Funds</b>			
(1) Fixed Assets	3		
A. Gross Block (at Cost)		2981755	3521217
B. Less : Depreciation		<u>2240543</u>	<u>2499821</u>
C. Net Block		741212	1021396
(2) Investment (at Cost)	4	8236321	9313698
(3) Deferred Tax Assets		188111	124332
(4) Current Assets, Loans & Advances			
A. Stock in Trade (share)		2092917	2092917
B. Sundry Debtors	5	44805102	47518536
C. Cash and Bank Balances	6	601818	5051974
D. Loans and Advances	7	<u>34311179</u>	<u>38588606</u>
		81811014	93252032
(4) Less : Current Liabilities and Provisions			
A. Current Liabilities	8	35742379	49054627
B. Provisions	9	<u>5017</u>	<u>89379</u>
Net Current Assets		46063619	44108026
(5) Misc. expenses to the Extent not Written off or Adjusted	10	10000	20000
<b>Total</b>		<u><b>55239263</b></u>	<u><b>54587452</b></u>
Significant Accounting Policy & Notes on Account	15		

As per our report of even date attached

**For : Gupta & Ashok**  
Chartered Accountant

**Ashok Agrawal**  
Partner

Place: Indore

Date: 1<sup>st</sup> September 2007

For and on behalf of the Board of Directors

**S. R. Rathi**  
Director

**B. L. Jain**  
Director

**Umesh Agrawal**  
Director



**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**Profit and Loss Account for the year ended on 31.03.07**

Particulars	Schedule	As at	As at
		31/03/07	31/03/06
		Rs.	Rs.
<b>Incomes</b>			
Sales	11	775814	92897821
Other Income	12	2179973	7821688
Increase/(Decrease) In Stock of Share		0	(1673901)
	<b>Total 'a'</b>	<b>2955787</b>	<b>99045608</b>
<b>Expenditures</b>			
Purchase of Palm Oil		-	90083643
Purchase of Share		-	-
Employees Remuneration & Benefits	13	1174371	1037241
Administrative & Other Expenses	14	868664	1587164
Depreciation		307374	377375
Loss on Sale on Computer		-	55150
Software Technology Park Expenses W/o		10000	10000
	<b>Total 'b'</b>	<b>2360409</b>	<b>93150573</b>
<b>Net Profit For The Year</b>		<b>595378</b>	<b>5895035</b>
Prior Period Exp.		(2329)	(120000)
Provision for Deferred Tax		63779	387685
Excess Provision for Income Tax Written Back		-	29808
Provision for Income Tax		-	(81000)
Provision for FBT		(5017)	(8379)
Balance brought forward from Previous Year		14868534	8765385
<b>Profit Available for Appropriation</b>		<b>15520345</b>	<b>14868534</b>
<b>Appropriation</b>			
Transfer To General Reserve		0	0
<b>Balance Carried To Balance Sheet</b>		<b>15520345</b>	<b>14868534</b>
<b>Earning Per Equity Share</b>			
Basic		0.22	2.03
Diluted		0.22	2.03
Significant Accounting Policies & Notes on Account	15		

As per our report of even date attached

**For : Gupta & Ashok**  
**Chartered Accountant**

**For and on behalf of the Board of Directors**

**Ashok Agrawal**  
**Partner**

**S R. Rathi**  
**Director**

**B. L. Jain**  
**Director**

**Umesh Agrawal**  
**Director**

Place: Indore

Date: 1<sup>st</sup> September 2007

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

Schedule 1 to 15 attached so and forming part of the Balance Sheet as on 31.03.07 and Profit & Loss Account for the year ended on 31.03.07

Particulars	As at	As at
	31/03/07	31/03/06
	Rs.	Rs.

**SCHEDULE - 1**

**Share Capital  
Authorised**

3500000 Equity Shares of Rs. 10/- each	<u>35000000</u>	<u>35000000</u>
Issued Subscribed And Paidup		
3000000 Equity Shares of Rs.10/- each	<u>30000000</u>	<u>30000000</u>
	<u><u>30000000</u></u>	<u><u>30000000</u></u>

**SCHEDULE - 2**

**Reserve and Surplus**

(a) General Reserve as per Last Year	3699668	3699668
(b) Profit and Loss Account	<u>15520345</u>	<u>14868534</u>
<b>Balance as per annexed account</b>	<u><u>19220013</u></u>	<u><u>18568202</u></u>

**SCHEDULE - 3  
FIXED ASSETS**

S. No.	Description of Assets	Gross Block (at Cost)			Depreciation				Net Block	
		As at 01/04/06	Add/(ded.) during the year	As at 31/03/07	Up to 01/04/06	Adjustment	add during the year	Up to 31/03/07	As on 31/03/07	As on 31/03/06
1.	Furniture	171631	6590	178221	113375	-	11259	124634	53587	58256
2.	Car	566652	(566652)	0	539500	(566652)	27152	0	0	27152
3.	Scooter	20613	0	20613	19800	-	812	20612	1	813
4.	Computers	2569746	20600	2590346	1741706	-	259004	2000710	589636	828040
5.	Air Conditioner	78650	0	78650	28070	-	3736	31806	46844	50580
6.	Fax Machine	38500	0	38500	20435	-	1829	22264	16236	18065
7.	Cooler	18930	0	18930	8890	-	899	9789	9141	10040
8.	Postal Franking Machine	36211	0	36211	19198	-	1720	20918	15293	17013
9.	Office Equipments	20284	0	20284	8847	-	963	9810	10474	11437
	<b>Total</b>	<b>3521217</b>	<b>(539462)</b>	<b>2981755</b>	<b>2499821</b>	<b>(566652)</b>	<b>307374</b>	<b>2240543</b>	<b>741212</b>	<b>1021396</b>
			0							
	Previous Year	3523948	107275 (110000)	3521217	2169296	(46850)	377375	2499821	1021396	1354646

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**Schedule - 4**

**Investments In Shares / Debentures (at Cost)**

Particulars	No. of Shares	As at 31.03.07 Rs.	No of Shares	As at 31.03.06 Rs.
<b>A. Quoted (trade Equity Shares Fully Paid Up)</b>				
National Steel Industries Ltd.	166000	5085000	166000	5085000
*Adhunik Synthetics Limited	500	16875	500	16875
*Master Share-UTI	2000	108000	2000	108000
*Indra Ratna Ltd.	5000	72000	5000	72000
*PCS Data Industries Limited.	3000	66000	3000	66000
*Siddha Global Ltd.	3700	22200	3700	22200
*UTI Master Gain	2533	37995	2533	37995
*Alpine Industries Limited	4659	178361	4659	178361
Medicaps Limited	200	25200	200	25200
Devki Leasing & Finance Limited	800	8000	800	8000
*Kukson Foods Limited	1500	48267	1500	48267
Sanghi Polyster Limited	100	2207	100	2207
*Sarthak Industries Limited	29600	298291	29600	298291
IDBI Bank Ltd.	45050	871434	45050	871434
*Bramanand Himgiri Ltd.	2875	115000	2875	115000
		<b>6954830</b>		<b>6954830</b>
<b>B. Unquoted</b>				
Hariratan Impex Pvt. Ltd.	105	10500	105	10500
Samradhi Real Estate Pvt. Ltd.	4900	49000	4900	49000
Neha Securities Pvt. Ltd.	500	5000	500	5000
Shahra Securities Pvt. Ltd.	500	5000	500	5000
Promise Securities Pvt. Ltd.	10000	100000	10000	100000
M.P. Industrial Park Ltd. (Application money)	10000	100000	10000	100000
		<b>269500</b>		<b>269500</b>
<b>Total (A+B)</b>		<b>7224330</b>		<b>7224330</b>
<b>C. Debentures</b>				
Llyod Steels Limited	1350	90750	1350	90750
		<b>90750</b>		<b>90750</b>
<b>D. Investment In Partnership Firm</b>				
M/s Sunrise Exports, Mumbai		921241		1998618
		<b>921241</b>		<b>1998618</b>
<b>Total (A+B)+(C+D)</b>		<b>8236321</b>		<b>9313698</b>

\*In the absence of quotations, market value are not given and for remaining quoted shares market price are Rs. 8071528/-

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

Particulars	As at 31/03/07 Rs.	As at 31/03/06 Rs.
<b>Schedule - 5</b>		
<b>Sundry Debtors</b>		
(Unsecured considered good)		
Due for a period exceeding six months	44211904	3640296
Others	593198	43878240
	<u>44805102</u>	<u>47518536</u>
<b>Schedule 6</b>		
<b>Cash And Bank Balances</b>		
A. Cash With Schedule Bank		
In Current Account	343209	4721380
B. Cheque in Hand	81640	141257
C. Cash in Hand	105948	118316
D. Postal and Share Transfer Stamps	71020	71020
<b>Total (A+B+C+D)</b>	<u>601818</u>	<u>5051974</u>
<b>Schedule 7</b>		
<b>Loans and Advances</b>		
(Advances receivable in cash or in kind for value to be received)		
1. Unsecured Considered Good		
(a) Intercorporate Loans	9497097	9074793
(b) To Suppliers against Purchase	16751245	22896076
(c) To Against Purchase of Shares	1468076	1468076
(d) To Staff	50350	65050
(e) Deposits With Govt. Authorities and Others	2525425	1326404
(f) Tax Deducted At Source (receivables)	2709573	2448794
	<u>33001766</u>	<u>37279193</u>
2. Considered Doubtfull against Purchase of Shares	1309413	1309413
	<u>1309413</u>	<u>1309413</u>
<b>Schedule - 8</b>		
<b>Current Liabilities</b>		
(a) Sundry Creditors		
Due To Small Scale Industrial Undertakings*	-	-
Due To Other Than SSI Undertakings	16742088	17156655
(b) Advance From Customers Against Sales	18939498	31833572
(c) Other Liabilities	60793	64401
	<u>35742379</u>	<u>49054627</u>

\*Note : Due to SSI Rs. Nil as per information available with the company.

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

Particulars	As at 31/03/07	As at 31/03/06
<b>Schedule - 9</b>		
<b>Provisions</b>		
Provisions for Income Tax	-	81000
Provision for FBT	5017	8379
	<u>5017</u>	<u>89379</u>
<b>Schedule - 10</b>		
<b>Miscellaneous Expenses</b>		
(To the extent not written off)		
A. Software Technology Park expenses		
Opening balance	20000	30000
Less : Written off during the year	-10000	-10000
	<u>10000</u>	<u>20000</u>
<b>Total A</b>	<u>10000</u>	<u>20000</u>
<b>Schedule - 11</b>		
<b>Sales and service charges</b>		
A. Share Transfers / Service charges	775814	848817
B. Sales of RBD Palmoleen Oil	-	90549004
C. Sales of shares	-	1500000
	<u>775814</u>	<u>92897821</u>
<b>Schedule - 12</b>		
<b>Other Income</b>		
Interest	1312698	765163
Dividend	834605	684603
Share profit from firm	173	3568
Misc. bal. written off	2497	2575
Discount / profit on DEBP purchase	-	3748
Long Term Capital Gain (taxable)	-	2110545
Long Term Capital Gain (exempted)	-	4251485
Profit on sales of Car	30000	-
	<u>2179973</u>	<u>7821688</u>

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

Particulars	As at 31/03/07 Rs.	As at 31/03/06 Rs.
<b>Schedule 13</b>		
<b>Schedule for Expenses</b>		
<b>Employees Remuneration &amp; Benefits</b>		
Salary to Staff	1054517	944621
Directors Remuneration	65757	23340
Conveyance Expenses	5362	10472
Staff Welfare Expenses	21257	23082
Bonus to Staff	27478	35726
	<u>1174371</u>	<u>1037241</u>
<b>Schedule 14</b>		
<b>Administrative and Other Expenses</b>		
Audit Fees	8427	8418
Clearing and Forwarding Expenses	-	30223
Sales Promotion Expenses	-	3340
Connectivity Charges	290000	290074
Electric Expenses	100609	98845
Legal & Professional Expenses	95022	65289
Postal & Telegram Expenses	2024	2601
Bank Charges	9810	10351
Brokerage	-	23868
Traveling to Director	36925	39484
Traveling to Others	8855	-
Vehicle Running and Maintenance Expenses	-	1976
General Repairs & Maintenance to others	57252	53144
Books & Periodicals	7412	8340
Rent	132000	146000
Rate and Taxes	-	3738
Surveyor Charges	-	33105
Telephone Expenses	36455	28310
Insurance	9684	14401
Stationery and Printing	32522	58079
General Expenses	22016	18142
Professional Tax	2500	2500
Sales Tax	400	1600
Advertisement Expenses	12970	6144
Consignment Sales Expenses	-	67874
Listing Fee	-	16250
Marketing Expenses	-	99546
Freight	-	5317
Filing / Packing Charges	-	128057
Misc. Expenses	3781	59445
Office Expenses	-	805
Storage Charges	-	261899
	<u>868664</u>	<u>1587164</u>

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**Sarthak Global Limited**

(Formerly known as Avanti Finance Limited)

Schedule attached to and Forming Part of the Balance Sheet as at 31<sup>st</sup> March 2007 and Profit and Loss Account for the Year ended on that date.

**SCHEDULE 15 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

**A SIGNIFICANT ACCOUNTING POLICIES:**

**a SYSTEM OF ACCOUNTING :**

The company adopts accrual basis (except gratuity, which shall be accounted on cash basis) on historical cost of convention as going concern basis in the preparation of accounts for all incomes and expenditures.

**b FIXED ASSETS :**

Fixed Assets are stated at Cost of acquisition less accumulated depreciation. All costs, including financing costs till Commencement of Commercial use relating to borrowing attributable to the Fixed Assets are capitalised.

**c DEPRECIATION:**

Depreciation has been calculated on straight-line method at the rate given to schedule XIV of the companies Act, 1956 and is charged until nominal value of the asset remains Re. 1/-.

**d DEFERRED EXPENSES :**

Expenses considered as Deferred expenses are written off over a period of 5 years.

**e INVESTMENTS :**

Shares held by the company, which are being treated as "Investments" are valued at cost. No Provision is made for diminution in the value of such investment.

**f Impairment of Assets :**

The recoverable amount of the asset is estimated if after assessing at the balance sheet date, indication exists that any asset may be impaired. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and impairment loss is expanded

**B NOTES ON ACCOUNT**

- 1 In the opinion of the board current assets, loans and advances have value on realisation in the ordinary course of business at least equal to the amounts at which they are stated and that the provision for known liabilities is adequate and not in excess of the amount reasonably necessary.
- 2 Employees provident fund act and Employees State Insurance Act are not applicable to the company. Hence no provision has been made.
- 3 No provision has been made towards doubtful advances against purchase of share amounting to Rs.1309413/-.
- 4 Amount remained outstanding at the end of the year from debtors, creditors and other parties (advance) have not been confirmed by them in spite of adequate efforts.
- 5 The company became a partner in the partnership firm M/S SUNRISE EXPORT MUMBAI w.e.f. 04-12-96 the details of the firm are as under :

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

S.No	Name of company	Share Ratio	Share of of profit (Net of Tax) (Rs.)	Investment As on 31.03.07 (Rs.)
01	Sarthak Global Ltd	5%	173	921241
02	Sarthak Industries Ltd	15%	519	444215
03	Miraj Impex Pvt. Ltd	80%	2766	11605509

- 6 Claims against company not acknowledged as debt Nil Nil  
Other Contingent Liabilities  
Demands in Income tax Act for A.Y. 96-97,97-98, 99-2000 & 2003-04(matter pending with I.T.Appellate Tribunal Mumbai except AY 2003-04 pending with IT Appeals Mumbai.) 4795085 4239615

- 7 Information on related party transaction as per Accounting standard 18 on related party discloser: -

Sr No.	Related Party	Relation	Description Of Transaction	Amount(Rs)
1.	S.R. Rathi	Director	Traveling exp.	34100
2.	Babulal Jain	Director	Director Remu.(Meeting Fees)	-
3.	Umesh Agrawal	Director	Traveling exp./ Conveyance	2825
			Director Remu.(Meeting Fees)	65757
4.	Sunrise Exports	The Co. is a partner	Share of profit	173

- 8.Information on Earning per share as per accounting Standard 20 on earning per share

	31.03.07	31.03.06
(a) No. of Equity Shares Outstanding		
During the year	3000000	3000000
(b) Profit available to equity share holders	Rs 651811	Rs 6103149
(c) Nominal value per equity share	Rs 10.00	Rs 10.00
(d) Basic & Dilutes Earning per share	0.22	2.03

9. The break up of Deferred Tax assets & liabilities are as under: -

Nature of timing difference	Deferred Tax Assets/(Liabilities) As at 01.04.06	Charge/ Credit for the current year	Deferred Tax Assets/(liabilities) as at 31.03.07
Deferred Tax liability on Account of Depreciation	(246833)	60383	(186450)
Deferred Tax liability on A/c of Business Losses	371165	(9278)	361887
Deferred Tax liability on A/c of S.T. Capital Losses	0	12674	12674
	<u>124332</u>	<u>63779</u>	<u>188111</u>



**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**10 Segment Reporting :**

The Company is organised in to following business segments :

- (A) Trading of merchandises
- (B) Service charges received from the services rendered as share transfer agent.
- (C) Others comprising of receipts from trading of shares and securities, interest, dividend etc. Not reportable being less than required percentage as per Accounting Standard 17.

**A. PRIMARY SEGMENT INFORMATION**  
(BY BUSINESS SEGMENT)

	TRADING	SERVICE	UNALLOCATED	TOTAL
<b>Revenue</b>				
External				
Sales & Other Income	0	775814	2179973	2955787
	(90552752)	(848817)	(9317940)	(99045608)
Inter-segment	0	0	0	0
	(0)	(0)	(0)	(0)
Total Revenue	0	775814	2179973	2955787
	(90552752)	(848817)	(9317940)	(99045608)
<b>Results</b>				
Segment Result	-40084	-784179		-824263
	(-309629)	(-830381)		(-1140010)
Add: Unallocated Incomes				2179973
				(9317940)
Less :Unallocated Expenses				762661
				(2402895)
Profit Before Interest & Tax				593049
				(5775035)
Interest				0
				(0)
Profit Before Tax				593049
				(5775035)
Less : Taxes Including Deferred Tax & FBT				58762
				(328114)
Profit After Tax				651811
				(6103149)
<b>Other Information</b>				
Segment Assets	930291	1080101	88976267	90986659
	(3316174)	(428682)	(128306513)	(132051369)
Segment Liabilities	3209237	1078309	37479100	41766646
	(44804320)	(1769681)	(43012315)	(89586316)
Capital Expenditures	0	27190	-566652	-539462
	0	(39495)	0	(39495)
Depreciation	0	278511	28863	307374
	0	(322868)	(55790)	(378658)
Non-cash Exp. Other Than	0	0	10000	10000
Depreciation	0	0	(52265)	(52265)

- B. The Company is catering to be domestic market and its Revenue from Overseas operation. Therefore according to the management, the disclosure for secondary segments under Accounting Standard 17 is Not applicable to the Company.

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

11. Intimations from "suppliers" regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 have not been received and hence disclosures, if any, relating to amounts required to be disclosed under the Act, have not been furnished.

**12. ADDITIONAL INFORMATION PURSUANT TO SCHEDULE -VI PART-II, PARAS 3 & 4 TO THE COMPANIES ACT, 1956. (As certified by the Management)**

PARTICULARS	AS AT 31/3/07		AS AT 31/3/06	
	QTY IN M.T.	VALUE IN RS.(IN LACS)	QTY IN M.T.	VALUE IN RS.(IN LACS)
1. TURN OVER RBD PAMOLINE OIL	0.00	0.00	2676.858	905.49
2. PURCHASE FOR RESALE TRADED GOODS : RBD PAMOLINE OIL	0.00	0.00	2671.085	548.81
3. OPENING STOCK RBD PAMOLINE OIL	0.00	0.00	5.773	2.11
4. CLOSING STOCK RBD PAMOLINE OIL	0.00	0.00	0.00	0.00
5. VALUE OF IMPORTS (PURCHASE)	0.00	0.00	1971.085	38781721
6. EXPENSES ON FOREIGN CURRENCY	-	0.00	-	0.00
9. REMITTANCE IN FOREIGN EXCHANGE BY WAY OF DIVIDENDS	-	-	-	-
10. EARNINGS IN FOREIGN EXCHANGE	-	-	-	-

As per our report of even date attached

For and on behalf of the Board of Directors

**FOR : GUPTA & ASHOK**  
**CHARTERED ACCOUNTANT**

S R. Rathi  
Director

B. L. Jain  
Director

Umesh Agrawal  
Director

Ashok Agrawal  
Partner

Place: Indore

Date: 1<sup>st</sup> September 2007

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**ADDITIONAL INFORMATION AS PER PART IV OF SCHEDULE VI TO THE COMPANIES ACT 1956 :  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

<b>1. REGISTRATION DETAILS</b>				
REGISTRATION NO.	L65993MH2002 PLC 136835	STATE CODE-		11
BALANCE SHEET DATE	31.03.07			
<b>2. CAPITAL RAISED DURING THE YEAR</b>				
PUBLIC ISSUE	NIL	RIGHT ISSUE		NIL
BONUS ISSUE	NIL	PRIVATE PLACEMENT		NIL
<b>3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS</b>				
TOTAL LIABILITIES	55239263	TOTAL ASSETS		55239263
SOURCES OF FUNDS				
PAID UP CAPITAL	30000000	RESERVE & SURPLUS		19220013
SECURED LOANS	NIL	UNSECURED LOANS		6019250
DEFERRED TAX LIABILITIES	0			
<b>APPLICATION OF FUNDS</b>				
NET FIXED ASSETS	741212	INVESTMENTS		8236321.3
NET CURRENT ASSETS	46063619	MISC. EXPENDITURE		10000
DEFERRED TAX ASSETS	188111			
<b>4. PERFORMANCE OF COMPANY</b>				
TURNOVER & OTHER INCOME	2955787	TOTAL EXPENDITURE		2360409.2
PROFIT BEFORE TAX	595377.78	PROFIT AFTER TAX		659156.78
EARNING PER SHARE (RS)	0.22	DIVIDEND PER SHARE		NIL
<b>5. GENERIC NAMES OF PRINCIPAL PRODUCTS / SERVICE OF COMPANY (AS PER MONETARY TERMS)</b>				
ITEM CODE NO. (ITC CODE)	:	NOT CODIFIED		
PRODUCT DESCRIPTION	:	INVESTMENT ACTIVITY		
ITEM CODE NO. (ITC CODE)	:	NOT CODIFIED		
PRODUCT DESCRIPTION	:	SHARE TRANSFER ACTIVITY		
ITEM CODE NO. (ITC CODE)	:	230400.03		
PRODUCT DESCRIPTION	:	TRADING ACTIVITY		

FOR AND ON BEHALF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

**FOR : GUPTA & ASHOK**  
CHARTERED ACCOUNTANT

**S R. Rathi**  
Director

**B. L. Jain**  
Director

**Umesh Agrawal**  
Director

**Ashok Agrawal**  
Partner

Place: Indore

Date: 1<sup>st</sup> September 2007

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**ANNEXURE TO CLAUSE 32 OF THE LISTING AGREEMENT**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH-2007**

	AS AT 31/03/07	AS AT 31/03/06
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
A. NET PROFIT BEFORE TAX & EXTRAORDINARY ITEM	595378	5895035
ADJUSTMENT FOR :		
DEPRECIATION	307374	377375
PRELIMINARY EXPENSES WRITTEN OFF	0	0
SOFTWARE TECHNOLOGY PARK EXP. WRITTEN OFF	10000	10000
LOSS ON SALE OF COMPUTER	0	55150
PRIOR PERIOD EXPENSES	(2329)	(120000)
INCOME TAX (NET)	0	(51192)
FRINGE BENEFITS TAX	(5017)	(8379)
INTEREST & DIVIDEND INCOME	(2147303)	(1449766)
OTHER INCOME	(32670)	(6371922)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(1274567)</b>	<b>(1663699)</b>
ADJUSTMENT FOR :		
(INCREASE)/ DECREASE IN STOCK	0	1673902
(INCREASE)/ DECREASE IN TRADE & OTHER RECEIVABLE	6990862	(27846891)
INCREASE/ (DECREASE) IN TRADE & OTHER PAYABLE	(13396611)	(30824706)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(7680316)</b>	<b>(58661394)</b>
INTEREST	-	-
DIRECT TAXES PAID	-	-
<b>NET CASH FROM OPERATING ACTIVITY (A)</b>	<b>(7680316)</b>	<b>(58661394)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
SALE OF FIXED ASSETS	3000	8000
SALE/(PURCHASE) OF INVESTMENTS	0	28719412
INTEREST & MISC. INCOME RECEIVED	1315368	7137085
INVESTMENT (INCREASE)/ DECREASE IN PARTNERSHIP FIRM	1077377	(3568)
DIVIDEND RECEIVED	834605	684603
PURCHASE OF FIXED ASSETS	(27190)	(107275)
<b>NET CASH FROM INVESTMENT ACTIVITY (B)</b>	<b>3230160</b>	<b>36438257</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
PROCEEDS FROM BORROWINGS (NET)	0	(3335000)
DIVIDEND & INTEREST PAID	-	-
INCREASE/(DECREASE) IN SHARE CAPITAL	-	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>0</b>	<b>(3335000)</b>
<b>D. NET INCREASE/DECREASE IN CASH &amp; CASH EQUIPMENT</b>	<b>(4450156)</b>	<b>(25558137)</b>
CASH & CASH EQUIPMENT AT BEGINNING OF THE YEAR	5051974	30610111
CASH AND CASH EQUIPMENT AT END OF THE YEAR	601818	5051974

FOR AND ON BEHALF THE BOARD OF DIRECTORS

AS PER OUR REPORT OF EVEN DATE ATTACHED

S R. Rathi  
Director

B. L. Jain  
Director

Umesh Agrawal  
Director

FOR : GUPTA & ASHOK  
CHARTERED ACCOUNTANT  
Ashok Agrawal  
Partner

Place: Indore

Date: 1<sup>st</sup> September 2007

**SARTHAK GLOBAL LIMITED**  
(Formerly known as Avanti Finance Limited)

**SARTHAK GLOBAL LIMITED**  
**Regd. Office :706, Tulsiani Chambers, Nariman Point, Mumbai - 400 021**  
**22<sup>nd</sup> Annual General Meeting**  
**PROXY FORM**

Folio No.....

No. of Shares.....

I/We.....of.....

In the district of.....

being a Member/Members of Sarthak Global Limited hereby appoint .....

.....of ..... in the district of .....or failing

him.....of.....in the

district of ..... as my/our proxy to attend and vote for me / us on my / our behalf at the

22<sup>nd</sup> Annual General Meeting of the Company to be held on Saturday, the 29<sup>th</sup> September, 2007 at 706, Tulsiani

Chambers, Nariman Point, Mumbai-400 021 at 3.00 p.m., and at any adjournment thereof.

Signed this ..... day of ....., 2007

For office use :

Proxy No. : ..... Date of Receipt : ..... No. of Shares : .....

N.B. : The instrument appointing proxy shall be deposited at the Secretarial Department of the Company  
not later than 48 hours before the commencement of the meeting.

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**SARTHAK GLOBAL LIMITED**  
**Regd. Office :706, Tulsiani Chambers, Nariman Point, Mumbai - 400 021**  
**22<sup>nd</sup> Annual General Meeting**  
**ATTENDENCE SLIP**

Folio No.....

No. of Shares.....

Name of the Member.....

No. of Shares held.....

Name of the Proxy.....

( to be filled only when a proxy attends the meeting)

I hereby record my presence at the 22<sup>nd</sup> Annual General Meeting of the Company on Saturday, 29<sup>th</sup> September,  
2007 at 706, Tulsiani Chambers, Nariman Point, Mumbai-400 021 at 3.00 p.m.

Signature of Member/Proxy

\*This slip may please be handed over at the entrance of the meeting hall.

if undelivered, please return to :  
**SARTHAK GLOBAL LIMITED**  
170/10, R.N.T. Marg, (Film Colony)  
Indore (M.P.) 452 001