

# ARTHEON FINANCE LIMITED



## 25<sup>TH</sup> ANNUAL REPORT 2008-2009

CERTIFIED TRUE COPY

For ARTHEON FINANCE LTD.

*M. L. Tubuya*

Director

# ARTHEON FINANCE LIMITED

## BOARD OF DIRECTORS.

MR. S.K. JIWARAJKA	--- DIRECTOR
MR. M.L. TULSYAN	--- DIRECTOR
MR. TUSHAR JIWARAJKA	--- DIRECTOR
MR. DEBA PRASAD ROY	--- DIRECTOR

## AUDITORS

M/S. V.PAREKH & ASSOCIATES

## BANKERS

CANARA BANK

## REGISTERED OFFICE

201, SUMER KENDRA,  
PANDURANG BUDHKAR MARG,  
WORLI, MUMBAI -400018

## ARTHEON FINANCE LIMITED

### NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Members of the Company will be held

At: 201, Sumer Kendra, Pandurang Budhkar Marg, Worli, Mumbai 400018.

On: Wednesday, 30<sup>th</sup> September, 2009 at 11.00 A.M.

to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider & adopt the audited Balance Sheet as at 31.03.2009 and the Profit & Loss Account for the year ended on that date and the Directors' & Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Deba Prasad Roy who retires by rotation, but being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

#### 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.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 29<sup>th</sup> September, 2009 to Wednesday, 30<sup>th</sup> September, 2009 (both days inclusive).
3. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.

BY ORDER OF THE BOARD



Director

REGISTERED OFFICE:  
201, Sumer Kendra,  
Pandurang Budhkar Marg,  
Worli, Mumbai 400018

Dated: 04.09.2009

**JIGYASA SINGHI**  
**& ASSOCIATES**

Company Secretaries

J-11/16, Jal Mandir Society,  
Bangur Nagar, Goregaon (W),  
Mumbai 400 090.  
Tel : (022) 2872 6089  
E-Mail : jigyasasinghi@yahoo.com

Registration No: L65990MH2003PLC033922

Authorised Capital: Rs.9,00,00,000/-

Compliance Certificate

To,  
The Members  
**ARTHEON FINANCE LIMITED**  
201, Sumer Kendra, Pandurang Budhkar Marg,  
Worli, Mumbai 400018

We have examined the registers, records, books and papers of **ARTHEON FINANCE LIMITED** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on March 31, 2009. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

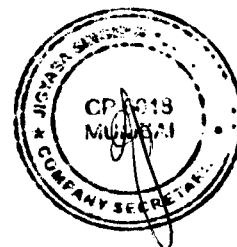
1. The company has kept and maintained the registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and the entries therein have been recorded.
2. The company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities as mentioned in the said annexure.
3. The Company being a public limited company, comments that a Private Limited Company has minimum prescribed capital, maximum number of members, invitation to public to subscribe for shares and acceptance of deposits from persons other than its members, directors or their relatives, are not required.
4. The Board of Directors duly met 4 (Four) times on 28.04.2008, 30.07.2008, 27.10.2008 and 21.01.2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. (No circular resolution was passed.)
5. The Company closed its Register of Members from Monday, 29<sup>th</sup> September, 2008 to Tuesday 30<sup>th</sup> September, 2008 for the purpose of Annual General Meeting and had complied with the provisions of Section 154 of the Act.



6. The annual general meeting for the year ended on March 31, 2008 was held on 30.09.2008 after giving notice to the members of the Company and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and/or persons or firms or companies referred to in the Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company was not required to obtain any approvals from the Board of Directors, members or the previous approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13.
  - (i) There was no allotment/ transfer/ transmission of securities during the financial year.
  - (ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - (iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year. There were no unpaid dividends in the Company.
  - (iv) There are no unpaid dividends, application money due for refund, matured deposits, matured debentures or the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
  - (v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancies during the financial year.



15. The Company has not appointed any Managing Director/ Whole-time Directors/ Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/ accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The borrowings made by the company from banks during the financial year ending March 31, 2009 is within the borrowing limits of the company.
25. The Company has made loans, advances and investments in other bodies corporate during the financial year.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.



27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There were no prosecutions initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employees' and employers' contribution to provident fund with prescribed authorities pursuant to section 418 of the Act.

For Jigyasa Singhi & Associates

Place : Mumbai

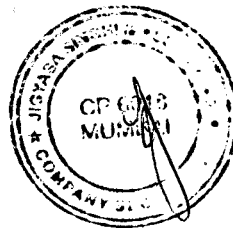
Date : 04.09.2009

Signature :

Name of Company Secretary : Jigyasa V. Singhi

C. P. No. :

6018



ARTHEON FINANCE LIMITED

Annexure A

Statutory Registers as maintained by the Company

1. Register of Charges u/s 143 of the Act.
2. Register of Members u/s 150 of the Act of the Act.
3. Minutes Book of Board Meetings u/s 193 of the Act. (In loose leaf)
4. Minutes Book of General Meetings u/s 193 of the Act. (In loose leaf)
5. Books of Accounts u/s 209 of the Act are being audited by the Statutory Auditors of the Company.
6. Register of Contracts u/s 301 of the Act.
7. Register of disclosure of interest u/s 301 of the Act.
8. Register of particulars of Directors etc. u/s 303 of the Act.
9. Register of Directors' Shareholding u/s 307 of the Act.

Other Registers:

1. Register of Transfers
2. Register of Directors' Attendance
3. Register of Shareholders' Attendance

For Jigyasa Singhi & Associates

Place : Mumbai

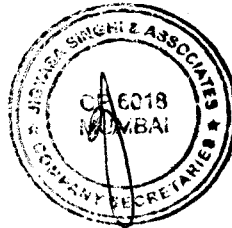
Date : 04.09.2009

Signature :

Name of Company Secretary : Jigyasa V. Singhi

C. P. No. :

6018





## ARTHEON FINANCE LIMITED

### Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ended on 31<sup>st</sup> March, 2009.

Sr. No.	Form No. / Return	Filed under Section	For	Date of filing/ Registration	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid. Yes/No
1.	Form 23AC & 23ACA alongwith Annual Report for the year ended 31.03.2008	220	Approved at the Annual General Meeting held on 30.09.2008	01.11.2008	No	Yes
2.	Form 66 Alongwith Compliance Certificate	383A	Financial year ended 31.03.2008	21.10.2008	Yes	N.A.
3.	Form 20B alongwith Annual Return made as on 30.09.2008	159	Annual General Meeting held on 30.09.2008	14.11.2008	Yes	N.A.

For Jigyasa Singhi & Associates

Place : Mumbai

Date : 04.09.2009

Signature :

Name of Company Secretary: Jigyasa V. Singhi

C. P. No. :

6018



## **DIRECTORS' REPORT TO THE MEMBERS -**

The Board of Directors have pleasure in presenting the 25<sup>th</sup> Annual Report together with the Audited Accounts of your Company for the financial year ended 31<sup>st</sup> March 2009

### **Financial Results**

The financial results of the Company for the year ended March 31, 2009 are summarized below:

	<b>Current year 2008-2009 (Rs. in Lacs)</b>	<b>Previous Year 2007-2008 (Rs. in Lacs)</b>
Income from operations and other income	20.44	96.72
Profit before Depreciation & Tax	(50.28)	24.20
Less: Depreciation	6.67	5.41
Profit/ (Loss) before Tax	(56.95)	18.79
Less: Provision for Taxation & Deferred Tax	1.27	1.27
Net Profit/ (Loss) after Tax	(58.22)	17.52
Add: Balance brought forward from last year	357.59	340.07
Amount available for Appropriation	299.37	357.59
Less: Transfer to General Reserve	---	---
Balance carried to Balance Sheet	299.37	357.59

### **Economic Scenario**

The global economy was impacted by the turmoil in the financial sector leading to Unprecedented fall in the economic output drawing parallel to the great depression of 1930s. Global credit stopped flowing leading to crisis of confidence amongst the global banks and investment bankers. The capital market took a huge hit and is slowly coming to terms to this extraordinary situation. The Indian economy which is mainly driven by domestic consumption was a bit resilient posting an estimated GDP growth of 6.80%. To spur demand Government and the Reserve Bank of India have judiciously utilized the fiscal and monetary policies which bear fruits over a period of time. Inflation which was a worrying factor in the early part of the year was no longer a problem on account of demand contraction. The steps initiated by the Government and Reserve Bank of India will bear results in the last quarter of 2009-2010.

### **Review of Operations**

The Capital market was listless with negative bias. During the year under review, the performance of your Company got severely affected in view of the severe fall in the stock market.

Income for the year ended 31<sup>st</sup> March 2009 was Rs 20.44 lacs as against the precious year's Rs 96.72 lacs, registering a fall of 79%. Accordingly, a loss of Rs 58.82 lacs was incurred in the period under review as against a profit after tax of Rs 17.52 lacs in the previous year.

The performance of the Indian Capital Market very much depends on global recovery, more so in U.S., fresh FII flows and how the drought in several states affect demand and consumption. It is expected that the investment climate is likely to improve commencing last quarter of 2009-10. As your Company is engaged in investment activity, its fortunes are closely linked to the revival of Capital Market.

### **Dividend**

As your Company incurred loss for the year ending 2008-2009, no dividend is declared for the period under review.

### **Deposits**

The Company has not accepted any deposits from the public or otherwise as on 31<sup>st</sup> March 2009.

### **Directors**

Mr. Deba Prasad Roy, Director of the Company would retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

### **Directors Responsibility Statement**

The Directors confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that 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 or loss of the Company for that year;
- (iii) that the Directors have taken proper and sufficient care for the 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; and
- (iv) the Directors have prepared the annual accounts on a going concern basis.

**Particulars under Section 217(1)(e) of the Companies Act, 1956.**

Information in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption etc. is not given in view of the activities of the Company.

During the year, the foreign exchange earnings were Rs. NIL and outgo was Rs. 391596 /-

**Particulars of Employees**

The Company does not have any employees whose particulars are required to be given under the provision of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975.

**Compliance Certificate**

A Compliance Certificate from a secretary in whole-time practice under section 383A of the Companies Act, 1956 in respect of the financial year ended on March 31, 2009 is attached hereto.

**Listing**

The equity shares of the company are listed on the Bombay Stock Exchange Limited. The Company has paid the Annual Listing fees to the Stock Exchange for the year 2008-2009.

**Auditors**

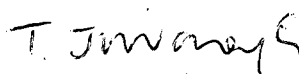
M/s V. Parekh & Associates, Chartered Accountants, Mumbai would retire at the ensuing Annual General Meeting and they are eligible for re-appointment.

You are requested to appoint Auditors and to fix their remuneration.

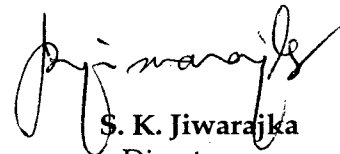
**Acknowledgement**

Your Directors convey their gratitude to the Company's valued Clients, Bankers and Shareholders for their continued support. The Directors also record their appreciation of the Company's employees at all levels for their dedication, commitment and hard work.

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



**Tushar Jiwrajka**  
Director



**S. K. Jiwrajka**  
Director

Place: Mumbai

Date: 4<sup>th</sup> September, 2009.

**V. PAREKH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

37, HAMAM STREET, 2nd FLOOR, FORT, MUMBAI - 400 001. ☎ : 2265 02 64 ● 2265 35 55 ● 2266 62 19 FAX : 2265 43 70 E-Mail : mail@vparekh.com

**AUDITORS' REPORT**

**TO,  
THE MEMBERS OF  
ARTHEON FINANCE LIMITED,  
MUMBAI.**

We have audited the attached Balance Sheet of "Artheon Finance Limited" as at 31<sup>st</sup> March 2009 and also the Profit and Loss Account and also the Cash Flow Statement 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 test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors 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 matter specified in Paragraph 4 and 5 of the said order:
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report that :
  - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of the books.
  - c. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the Books of Accounts.
  - d. In our opinion, the attached Balance Sheet and Profit & Loss Account and the cash flow Statement dealt with by this report complying with the Accounting Standards referred in Sub-section 3(c) of Section 211 of the Companies Act, 1956.
  - e. On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2009 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31<sup>st</sup> March, 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - f. In our opinion and to the best of our information and according to the explanations given to us the said Accounts read together with the notes thereon subject to Note 1(III) (ii) regarding non-provision of gratuity 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.



**ARTHEON FINANCE LIMITED ( 2008-09 )**

- i) In the case of Balance Sheet, of the state of the affairs of the Company as at 31<sup>st</sup> March, 2009 and
- ii) In the case of the Profit & Loss Account of the Loss of the Company for the year ended on that date.
- iii) In the case of the cash Flow Statement of the Cash Flow for the year ended or that date.



**FOR AND ON BEHALF OF  
V. PAREKH & ASSOCIATES  
CHARTERED ACCOUNTANTS**

*Rasesh V. Parekh*

**RASESH V. PAREKH      PARTNER  
MEMBERSHIP NO. 38615**

**MUMBAI,  
DATED : 4<sup>TH</sup> SEPTEMBER, 2009**

**V. PAREKH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

37, HAMAM STREET, 2nd FLOOR, FORT, MUMBAI - 400 001. ☎ : 2265 02 64 ● 2265 35 55 ● 2266 62 19 FAX : 2265 43 70 E-Mail :mail@vparekh.com

**ARTHEON FINANCE LIMITED**  
**ACCOUNTING YEAR ENDED 31<sup>ST</sup> MARCH, 2009**

**ANNEXURE TO THE AUDITORS REPORT :**  
**REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE:**

- 1)
  - a) The Company has maintained proper records showing full particulars including quantitative details and situations of the Fixed Assets.
  - b) These assets have been physically verified by the management at reasonable intervals, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) As per records of the Company and as explained to us, the Company has not disposed off any substantial or major portion of fixed assets. However during the current year, the company has discarded some fixed assets.
- 2) According to the information and explanation given to us, and having regard to the Company's Business the question of reporting on Clause 4 (ii)(a), 4(b) and 4(ii)(c)(relating to inventory) of the Companies (Auditor's Report) order 2003 as Amended by Companies (Auditor's Report) (Amendment) order 2004 (herein after referred to as the said order ) does not arise.
- 3)
  - a) As per information and explanation given to us, the company has not granted unsecured loan to the company covered in the register maintained under section 301 of the Companies Act, 1956.
  - b) As the company has not granted any unsecured loan, as mentioned above, the direction of prejudicial to the company does not arise.
  - c) In view of our comments in para3 (a) and (b) above, reporting on clause 4(iii) (c) and 4(iii) (d) of the said order does not arise.
  - d) According to the information and explanation given to us, the company has not taken any loans Secured or Unsecured from Companies firm or other parties covered in the register maintained under section 301 of the Act.
  - e) In view of the forgoing the question of reporting on clauses 4(iii)(f) and 4(iii)(9) of the said order does not arises.
- 4) In our opinion and according to the information and explanation given to us, there is an adequate internal control procedure commensurate with the Company and nature of its business for the purchases and sale of Shares and securities, fixed assets and for the sale of



**ARTHEON FINANCE LIMITED ( 2008-09 )**

- 5) In our opinion and according to the information and explanations given to us, the company has not entered into any contract, arrangements or transaction aggregating during the year to Rs.5,00,000/- ( Rs. Five Lakhs Only) or more in respect of each party being company, firm or other parties listed in the register maintained under section 301 of the Companies Act 1956, other than the subsidiary company as referred in Para 3(a) above.
- 6) The Company has not accepted any deposits from the public during the year to which the directive issued by the reserve Bank Of India and provision of section 58A and Section 58AA and the rules framed there under are applicable.
- 7) In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
- 8) The Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act 1956 in respect of services and other activities carried out by the Company. Accordingly, clause 4(iii) of the Order is not applicable.
- 9) a) According to the records of the Company, the company is regular in depositing undisputed statutory dues including Provident fund, Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty and any company is regular in depositing undisputed statutory dues including Income-tax and any other statutory dues applicable to it, with the appropriate authorities during the year.  
b) According to the records of the Company, there is no disputed amount payable on account of Sales Tax, Income Tax, Custom Duty, Wealth Tax or Excise duty outstanding at the end of the financial year except demand raised by income tax department of Rs.750795/- for the assessment year 2005-06 for which company preferred an appeal before commissioner of income tax and same is pending.
- 10) As at the end of the financial year, the Company does not have accumulated losses, which are less than fifty percent of its net worth. It has not incurred cash losses during the financial year or in the immediately preceding financial institutions.
- 11) The company has neither taken any loans from financial institution and bank or issued any debentures, Accordingly, clause 4(xi) of the order is not applicable.
- 12) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and/ or other security. Accordingly, clause 4(xi) of the order is not applicable.
- 13) The company is not a chit fund, Nidhi, Mutual benefit Fund or a Society. Accordingly, clause 4(xi) of the order is not applicable.
- 14) As per information and explanation given to us and records produced before us the Company has maintained proper records of transaction and contract in respect of trading in shares Debentures and other securities and that timely entries have been made and those shares and securities are held by the company in its own name. However 20000 equity shares of KS Oils Limited given by the company to Share Broker as pledge for margin money deposite.





**ARTHEON FINANCE LIMITED ( 2008-09 )**

- 15) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank of financial institution during the year.
- 16) The company has not raised any terms loans during the year.
- 17) As per records maintained and information given to us, the company has not raised funds either on short term or long-term basis during the year.
- 18) As informed to us, the company has not made any preferential allotment of shares during the year.
- 19) The Company has not issued any debenture during the year.
- 20) The company has not raised any money by public issues during the year.
- 21) According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.



**FOR AND ON BEHALF OF  
V. PAREKH & ASSOCIATES  
CHARTERED ACCOUNTANTS**

*Rasesh V. Parekh*

**RASESH V. PAREKH PARTNER  
MEMBERSHIP NO. 38615**

**MUMBAI,  
DATED :4<sup>TH</sup> SEPTEMBER, 2009**

**ARTHEON FINANCE LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2009**

	SCHEDULE	RUPEES	AS AT 31.3.2009	AS AT 31.3.2008
<b>SOURCES OF FUNDS</b>				
<b>SHAREHOLDERS' FUND</b>				
a) Capital	A	14,000,000		14,000,000
b) Reserves & Surplus	B	49,936,904		55,759,049
Total Shareholders Funds			63,936,904	69,759,049
<b>LOAN FUNDS</b>				
a) Secured Loans				
b) Unsecured Loans	C	1,759,193	1,759,193	3,027,548
<b>TOTAL</b>			<b>65,696,097</b>	<b>72,786,597</b>
<b>APPLICATION OF FUNDS</b>				
<b>FIXED ASSETS</b>				
Gross Block	D	7,554,490		7,554,490
Less : Depreciation		2,290,168		1,623,638
Net Block			5,264,322	5,930,852
<b>INVESTMENTS</b>				
	E		57,152,700	59,245,465
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>				
a) Cash & Bank Balances	F	71,747		2,151,908
b) Loans & Advances	G	7,002,078		10,211,406
		<b>7,073,825</b>		<b>12,363,314</b>
Less : Current Liabilities and Provisions	H	3,794,750		4,753,035
Net Current Assets			3,279,075	7,610,279
Deferred Tax Asset / (Liability) ( See Note No.8 )				
<b>TOTAL</b>			<b>65,696,097</b>	<b>72,786,597</b>
<b>NOTES ON ACCOUNTS</b>				
	M			

AS PER OUR REPORT OF EVEN DATE  
FOR AND ON BEHALF OF  
V. PAREKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

*Rasesh V. Parekh*

**RASESH V. PAREKH PARTNER**  
MEMBERSHIP NO. 38615  
MUMBAI,  
DATED :4TH SEPTEMBER,2009.



FOR ARTHEON FINANCE LIMITED

*[Signature]*  
DIRECTOR

*T. Jivareji*

DIRECTOR

MUMBAI,  
DATED :4TH SEPTEMBER,2009.

**ARTHEON FINANCE LIMITED**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

	SCHEDULE	AS AT 31.3.2009	AS AT 31.3.2008
<b>INCOME</b>			
Professional Fees		1,789,596	207,000
Other Income	I	254,365	12,124,423
<b>TOTAL INCOME</b>		<b>2,043,961</b>	<b>12,331,422</b>
<b>EXPENDITURE</b>			
Administrative Expenses and Other Expenses	J	3,810,848	4,838,736
Payment & Provision to Employees	K	3,022,254	2,154,875
Interest	L	239,469	258,416
Loss from Derivative Transactions		-	2,659,763
Depreciation	D	666,530	540,815
<b>TOTAL EXPENDITURE</b>		<b>7,739,101</b>	<b>10,452,606</b>
Profit/(Loss) for the year before tax		(5,695,139)	1,878,817
Less : Provision for Taxation :			
For Income Tax		-	100,000
For Fringe Benefit Tax		140,000	200,000
For Deferred Tax (See notes No. 8 )		-	(173,000)
For Excess Provision Tax of earlier year		(12,994)	-
Profit/(Loss) after tax		(5,822,145)	1,751,817
Balance brought forward		<b>35,759,049</b>	<b>34,007,232</b>
Balance carried to Balance Sheet		<b>29,936,904</b>	<b>35,759,049</b>
<b>Earning per share :</b>			
Profit available to shareholders		(5,822,145)	1,751,817
No. of equity shares outstanding of Rs. 10/- each		1,400,000	1,400,000
Profit per share		(4.16)	1.25
Notes on Accounts	M		

AS PER OUR REPORT OF EVEN DATE  
FOR AND ON BEHALF OF  
**V. PAREKH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

*R. Parekh*  
**RASESH V. PAREKH PARTNER**  
**MEMBERSHIP NO. 38615**  
**MUMBAI,**  
**DATED :4TH SEPTEMBER,2009.**



FOR ARTHEON FINANCE LIMITED

*T. J. J. J.*  
**DIRECTOR**

*T. J. J. J.*  
**DIRECTOR**

**MUMBAI,**  
**DATED :4TH SEPTEMBER,2009.**

**ARTHEON FINANCE LIMITED**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009**

	AS AT 31.3.2009	AS AT 31.3.2008
<b>SCHEDULE : A : SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
5,000,000 Equity Shares of Rs. 10/- each	50,000,000	50,000,000
400,000 Redeemable Preference Shares of Rs. 100/- each	40,000,000	40,000,000
	<b>90,000,000</b>	<b>90,000,000</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP :</b>		
1,400,000 Equity Shares of Rs. 10/- each fully paid up. (of the above 1,000,000 Equity Shares were allotted as fully paid Bonus Shares by way of capitalisation of General Reserves)	14,000,000	14,000,000
	<b>14,000,000</b>	<b>14,000,000</b>
<b>SCHEDULE : B : RESERVES &amp; SURPLUS</b>		
<b>GENERAL RESERVE</b>		
Balance as per last Balance Sheet	20,000,000	20,000,000
Balance of Profit & Loss Account	29,936,904	35,759,049
	<b>49,936,904</b>	<b>55,759,049</b>
<b>SCHEDULE : C : UNSECURED LOANS</b>		
HDFC Bank Limited - Car Loan	1,759,193	3,027,548
	<b>1,759,193</b>	<b>3,027,548</b>
<b>SCHEDULE : F : CASH &amp; BANK BALANCES</b>		
Cash on Hand	13,285	9,157
Balance with Scheduled Banks in Current Account	58,462	2,142,751
	<b>71,747</b>	<b>2,151,908</b>
<b>SCHEDULE : G : LOANS &amp; ADVANCES</b>		
(Unsecured Considered Good)		
Loan to Others	1,762,842	2,066,592
Advances Recoverable in Cash or Kind or for value to be received	1,404,250	2,026,366
Advance payment of Taxes	3,773,122	6,056,584
Deposits	61,864	61,864
	<b>7,002,078</b>	<b>10,211,406</b>



**ARTHEON FINANCE LIMITED**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009**

**SCHEDULE :D : FIXED ASSETS**

SR. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS ON 01.04.2008	ADDITION	DEDUCTION	AS ON 31.03.2009	UPTO 01.04.2008	FOR THE YEAR	ADJUSTMENT	UPTO 31.03.2009	AS ON 31.03.2009	AS ON 31.03.2008
	<b>LEASED ASSETS</b>										
1	PLANT & MACHINERY	280,000	-	-	280,000	245,522	21,334	-	266,856	13,144	34,478
	<b>OTHER ASSETS</b>										
2	FURNITURE & FIXTURES	108,464	-	-	108,464	82,998	7,308	-	90,306	18,158	25,466
3	OFFICE EQUIPMENTS	1,513,549	-	-	1,513,549	551,216	75,712	-	626,928	886,621	962,333
4	COMPUTERS	355,383	-	-	355,383	82,906	58,952	-	141,858	213,525	272,477
5	VEHICLES	5,297,094	-	-	5,297,094	660,996	503,224	-	1,164,220	4,132,874	4,636,098
	<b>TOTAL</b>	<b>7,554,490</b>	<b>-</b>	<b>-</b>	<b>7,554,490</b>	<b>1,623,638</b>	<b>666,530</b>	<b>-</b>	<b>2,290,168</b>	<b>5,264,322</b>	<b>5,930,852</b>
	<b>PREVIOUS YEAR</b>	<b>2,259,919</b>	<b>5,294,571</b>	<b>-</b>	<b>7,554,490</b>	<b>1,082,823</b>	<b>540,815</b>	<b>-</b>	<b>1,623,638</b>	<b>5,930,852</b>	<b>1,177,096</b>



**ARTHEON FINANCE LIMITED**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009**

	AS AT 31.3.2009	AS AT 31.3.2008
<b>SCHEDULE : H : CURRENT LIABILITIES &amp; PROVISIONS</b>		
Provision for Taxation	1,546,392	4,050,000
Provision for Fringe Benefit Tax	492,300	498,000
Sundry Creditors	1,756,058	205,035
	<b>3,794,750</b>	<b>4,753,035</b>
<b>SCHEDULE : I : OTHER INCOME</b>		
Discounting Charges	53,318	166,541
Interest	6,699	413,166
Profit on sale of Shares (Long Term)	(62,660)	2,410,159
Profit on sale of Shares (Short Term)	-	7,872,405
Dividend	211,650	1,092,489
Brokerage Received	45,358	169,663
	<b>254,365</b>	<b>12,124,423</b>
<b>SCHEDULE : J : ADMINISTRATIVE EXPENSES &amp; OTHER EXPENSES</b>		
Advertisement & Business Promotion Expenses	355,896	268,872
Payment to Auditors:		
Audit Fees	33,090	30,000
Tax Audit Fees	16,545	15,000
Bank Charges	11,575	3,418
Demat Charges	20,284	62,773
Filing & Registration Fees	2,000	3,000
Insurance Premium	27,526	97,544
Listing Fees	18,000	10,000
Membership & Subscription Charges	1,117	80,662
Postage, Courier & Telephone Expenses	411,110	561,942
Printing & Stationery	46,443	87,159
Professional & Legal Fees :	1,008,228	1,078,059
Office Expenses	-	860
Miscellaneous Expenses	391,103	246,357
Recruitment Expenses	-	40,450
Vehical Expenses	405,984	374,845
FBT Expenses	-	1,309
Repairs & Maintenance & Upgradation	116,597	64,633
Profession Tax	12,500	27,600
Share Transaction, Service Tax & Stamp Charges	95,230	336,598
Travelling & Conveyance	419,899	387,337
Foreign Traveling Expenses	391,596	1,054,317
Investment written off	26,124	-
Donation	-	6,000
	<b>3,810,848</b>	<b>4,838,736</b>



**ARTHEON FINANCE LIMITED**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009**

	AS AT 31.3.2009	AS AT 31.3.2008
<b>SCHEDULE : K : PAYMENT AND PROVISION TO EMPLOYEES</b>		
Salary & Allowances	2,822,246	1,923,245
Staff Welfare	41,139	73,842
Contribution to ESIC, PF, Other Funds	158,869	157,788
	<b>3,022,254</b>	<b>2,154,875</b>
<b>SCHEDULE : L : INTEREST</b>		
Other interest	239,469	258,416
	<b>239,469</b>	<b>258,416</b>



**ARTHEON FINANCE LIMITED**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009**

**SCHEDULES "E" INVESTMENT**

Face Value per Share	Name of the Company	As At march 31,2009		As At march 31,2008	
		No. of Shares	Amount ( In Rs.)	No. of Shares	Amount ( In Rs.)
<b>Quotated - Equity Shares Fully Paid Up</b>					
10	Orissa Sponge Iron & Steel Limited	0	0	500	26124
10	Venus Remedies Limited	20052	8852458	20052	8852458
10	Asian Electronics limited	12000	9060941	12000	9060941
10	Asian Hotels Limited	5229	3918265	5229	3918265
10	Deccan Aviation Limited	25000	7004812	25000	7004812
10	Dewan Housing Limited	25000	4696159	25000	4696159
10	GTL Infrastructure Limited	90000	7266371	90000	7266371
10	KS.Oils Limited	58000	4934182	58000	4934182
10	Parsvnath Developer Limited	8730	5016662	8730	5016662
10	Shardul Securities Limited	12000	5832850	12000	5832850
	<b>Total</b>		<b>56,582,700</b>		<b>56,608,824</b>
<b>Unquoted - Fully Paid Up</b>					
10	Sab Electronics Devised Limited		0	5800	80060
10	Danda Pani Spinning Mills Limited	10000	300000	10000	300000
10	Aetheon Energy Pvt. Limited	250000	250000	250000	250000
10	Integrated Documention Consultant Private Limited	2000	20000	2000	20000
	<b>Total</b>		<b>570000</b>		<b>650060</b>
<b>Debenture</b>					
<b>Quoted - Fully Paid Up</b>					
30	Southern Iron Steel Company Limited	0	0	1450	17400
<b>Units of Mutual Funds ( Quoted)</b>					
	Canara Bank Robeco Mutual Fund	0	0	0	1969182
	<b>TOTAL VALUE</b>		<b>57,152,700</b>		<b>59,245,465</b>
	<b>Cost Of Quoted Investment ( Equity Shares, Debenture and Units Of Mutual Funds)</b>		56,582,700		56,608,824
	<b>Cost of Un-Quoted Equity Shares,</b>		0		1986582
	<b>Market Value of Quoted Investments ( Equity Shares )</b>		570000		650060
			<b>17,766,932</b>		<b>30,451,598</b>





ARTHEON FINANCE LIMITED (2008-09)

SCHEDULE FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2009.

SCHEDULE 'N' :

1. SIGNIFICANT ACCOUNTING POLICIES

i) Basic of Accounting :

The financial statement is prepaid under the historical cost.

ii) The presentation of financial statement is in conformity with the generally accepted accounting principles.

iii) Revenue Recognition

In respect of other heads of income, the company follows the practice of accounting for such income on accrual basis. Delayed payment charges are accrued on the basis of certainty of collection.

iv) Retirement and other employees benefits

i) Contributions are made towards Provident Fund, which are defined contribution schemes. Liability in respect thereof is determined on the basis of contribution as required under the statute/ rules.

ii) Gratuity liability and provision for Leave Encashment has been provided for on the basis of actuarial valuations made at the year end.

v) Fixed Assets

Fixed Assets are carried at cost of acquisition less accumulated.

vi) Depreciation on Fixed Assets

In respect of leased assets, purchased/installed after March 31, 1989, 95% of the cost of the assets is being written off as depreciation on straight-line method basis spread during the leased period.

In respect of all other assets, depreciation is provided on straight line method at the rate and in the manner prescribed in Schedule XIV to the Companies Act 1956.

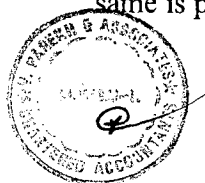
vii) Investment

Investments are carried at cost and are shown in Schedule of Investment. Provision for diminution is made to recognize a decline, other than temporary nature in the value of a long-term investment.

viii) Taxes on Income :

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with the relevant tax regulation.

2) Contingent liability not provided for in respect of demand raise by Income Tax department for the Assessment Year 2005-06 amounting to Rs.750795/-. The Company has preferred an appeal and same is pending before commissioner of income tax (appeal).



## ARTHEON FINANCE LIMITED ( 2008-09)

### 3) Remuneration to Auditors

	2008-09	2007-08
As Audit Fees	33090.00	30000.00
As Tax Audit Fees	16545.00	15000.00
<b>TOTAL</b>	<b><u>49635.00</u></b>	<b><u>45000.00</u></b>

- 4) In the opinion of the Board, Current Assets, Loans & Advances are approximately of the same value as stated in the Balance Sheet, if realized in the ordinary course of business.
- 5) Advances include Rs. 1411922/- due from a Associate Companies ( Previous year Rs. 1561500/-)
- 6) As the company is not manufacturing any item, the additional information pursuant to Schedule VI, II 4-C and 4-D to the Companies Act, 1956, has not been furnished except as under :

### Expenditure in foreign currency:

Particulars	2008-2009	2007-2008
Foreign Travel Expenses	391596.00	1054317.45

### 7) Related Parties Disclosure :

As per the Accounting Standard-18 on "related party disclosure", issued by the "Institute of Chartered Accountants of India, the related parties of the Company are as follows:

#### I) Associated Companies / Firms.

- Salora Floritech Limited.
- Moza Hosiery India Limited.
- Integrated Documentation Consultants Private Limited.
- Devi Electronics Private Limited
- Artheon Energy Private Limited
- Artheon Electronics Limited.
- Essjay Ericsson Private Limited

#### II) Key Managerial Person: Shri. S. K. Jiwarajka

#### III) The nature of volume of transaction the company during the year with the related parties were as Follows :

- Associated Companies / Firms: Rs 200000/- (Balance As on 31.03.2008 Rs. NIL)
- Advance for property to associate company Rs 1411922/- (Balance As on 31.03.2008 Rs. 1561500/-)



**ARTHEON FINANCE LIMITED ( 2008-09)**

**8) Deferred Tax:**

The break up of deferred tax assets and deferred tax liabilities is as given below :

	<b>Amount (Rs)</b> <b>31.03.2009</b>	<b>Amount (Rs)</b> <b>31.03.2008</b>
<b><u>Deferred tax Asset</u></b>		
Arising on account of timing differences in :-	2211837	1213850
Brought forward unabsorbed losses		
<b>Total (A)</b>	<b>2211837</b>	<b>1213850</b>
<b><u>Deferred Tax Liability</u></b>		
Arising on account of timing differences in :-		
Depreciation	353231	311767
<b>Total (B)</b>	<b>353231</b>	<b>311767</b>
<b>Deferred Tax Asset / (Liability)</b>	<b>1858606</b>	<b>902083</b>

The company has not recognized to Deferred Tax Assets in the books of accounts.

**9) Segment :-**

Primary Segment Information for the year ended 31<sup>st</sup> March,2009.

	Fund Based (RS.)	Non-Fund Based(Rs.)	Total(RS.)
<b>REVENUE</b>			
External Revenue	1789596	247666	2037262
Internal Revenue	0	0	0
<b>Total Revenue</b>	<b>1789596</b>	<b>247666</b>	<b>2037262</b>
Add. Interest Income		6699	6699
<b>Total Enterprise Revenue</b>	<b>1789586</b>	<b>254365</b>	<b>2043961</b>
<b>Result</b>			
<b>Segment Results</b>			<b>2037262</b>
Unallocated Expenditure			<b>6833102</b>
Interest Expenses			<b>239468</b>
Interest Income			<b>6699</b>
Depreciation			<b>666530</b>
<b>Profit/(Loss) before Taxation</b>			<b>(5695139)</b>

**10) Particulars of earning per share :**

Calculation of Weighted Average Number of equity Shares of Rs. 10/- Each		31.03.2009	31.03.2008
1	No. Of Equity Shares at the beginning of the year	1400000	1400000
2	Total No. Of Equity Shares outstanding at the end of the year	1400000	1400000
3	Weighted Average Number of Equity Shares of Rs. 10/- each outstanding during the year	1400000	1400000
4	Net profit after tax available for Equity Shareholder	(5822145)	1751817
5	Basis and Diluted Earning per share	(4.16)	1.25
6	Nominal value of shares	10/-	10/-



**ARTHEON FINANCE LIMITED ( 2008-09)**

**11) Gratuity**

The Company has an obligation towards gratuity, which is a defined benefit plan. Liability for gratuity to employees on the basis of actuarial valuation using projected Unit Credit method as on the balance sheet date is unfunded absorbed in the accounts.

**Compensated absences**

Liability for short term compensated absences is recognized based on the eligible leave to the credit of the employees as at the balance sheet date. Liability for long term compensated absences is determined on the basis of actuarial valuation using projected unit credit method as on the balance sheet date.

The following tables summaries the components of net benefit.

**1. Table showing change in benefit obligation:-**

Liability in the beginning of the year	447972
Interest Cost	37829
Current Service Cost	40142
Past Service Cost (Non-vested benefit )	0
Past Service Cost ( Vested benefit )	0
Settlement	0
Liability Transfer in	0
Liability Transfer out	0
Benefit Paid	0
Actuarial (Gain)/Loss on obligations	10884
Liability at the end of the year	536827

**2. Expenses recognized in the income statement :**

Current Service Cost	40142
Interest Cost	37829
Expected Return on Plan Assets	0
Past service cost(Non vested benefit ) recognized	0
Past service cost(Vested benefit ) recognized	0
Recognition of transition liability	0
Actuarial (Gain) or Loss	10884
Expense recognized in Profit & Loss account	88855

**3. Amount recognized in the Balance Sheet:**

Particulars	Gratuity	Leave Encashment
Liability at the end of the year	536827	416734
Fair value of the assets at end of the year		
Difference	(536827)	(416734)
Unrecognised past service cost	0	0
Unrecognised transition liability	0	0
Amount recognized in the balance sheet	(536827)	(416734)

12) Previous year's figures have been re grouped wherever necessary so as to make them comparable with those of the current year.

13) **BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUISNESS PROFILE AS PER PART (IV) OF SCHEDULE VI TO THE COMPANIES ACT, 1956.**

1) **Registration Details:**

Registration No : 11-33922of 1984  
 State Code : 11  
 Balance Sheet Date : 31.03.2009



**ARTHEON FINANCE LIMITED ( 2008-09)**

- 2) **Capital raised during the year:**  
Public Issue : Rs. NIL/-  
Rights Issue : Rs. NIL/-  
Bonus Issue : Rs. NIL/-  
Private Placement : Rs. NIL/-
- 3) **Position of Mobilisation and Deployment of Funds:**  
Total Liabilities : Rs. 65,696,097/-  
Total Assets : Rs. 65,696,097/-
- 4) **Sources of Funds**  
Paid Up Capital : Rs. 14,000,000  
Reserves & Surplus : Rs. 49,936,904  
Secured Loans : Rs. NIL  
Unsecured Loans : Rs. 1,759,193
- 5) **Application of Funds**  
Net Fixed Assets : Rs. 5,264,322  
Net Current Assets : Rs. 3,279,075  
Misc. Expenditure : Rs. NIL
- 6) **Performance of Company :**  
Turnover (Gross Revenue) : Rs. 2,043,961  
Total Expenditure : Rs. 7,739,101  
Profit/(Loss) before Tax : Rs. (5,695,139)  
Profit/(Loss) after Tax : Rs. (5,822,145)  
Earnings Per Share : (4.16)  
Dividend Rate :
- 7) **Generic Names of Three Principal Products/Services of Company (As per Monetary Terms ) :**  
Item Code No.(ITC Code ) : NOT APPLICABLE  
Product Description : Broking  
Product Description : Professional Consultancy Services

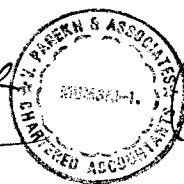
**SIGNATURE TO SCHEDULE 'A' TO 'M'**

AS PER OUR REPORT OF EVEN DATE FOR

FOR AND ON BEHALF OF THE BOARD

V. PAREKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

*Rasesh V. Parekh*



*[Signature]*

*T. Juvanayk*

**RASESH V. PAREKH PARTNER**  
MEMBERSHIP NO.38615

**DIRECTOR**

**DIRECTOR**

MUMBAI,

DATED:4<sup>TH</sup> SEPTEMBER, 2009

DATED:4<sup>TH</sup> SEPTEMBER, 2009

**ARTHEON FINANCE LIMITED**  
**CASH FLOW STATEMENT AS PER CLAUSE 32 OF THE LISTING AGREEMENT**

	2008-2009 Rs.	Rs.	2007-2008 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit/(Loss) before Tax and Extraordinary items	(5,695,139)		1,878,817
Adjustments for :			
Depreciation	666,530		540,815
Loss on Assets Discarded / Sold			-
Interest / Bank Charges Paid	251,044		261,834
Provision for Taxation	-		(100,000)
Deferred Tax			
Fringe Benefit Tax	(140,000)		(200,000)
For Excess Provision Tax of earlier year	12,994		
Dividend Received	(211,650)		(1,092,489)
Interest Received	(6,699)		(413,166)
(Profit)/Loss on sale of Shares	62,660		(10,282,564)
(Profit)/Loss on Sale of Mutual Fund Units			-
Operating Profit before working capital charges	(5,060,261)		(9,406,753)
Adjustments for :			
(Increase)/Decrease in Trade and other receivable	3,209,328		7,823,509
Increase/(Decrease) in Current Liabilities	(958,285)		197,719
Prior Period Adjustments			-
	<b>2,251,044</b>		<b>8,021,228</b>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>		<b>(2,809,216)</b>	<b>(1,385,525)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets	-		(5,294,571)
Sale of Fixed Assets	-		-
Secured Loans/Unsecured Loan	(1,268,355)		3,027,548
(Additions) / Deductions to Investments	2,092,765		(7,078,758)
Dividend Received	211,650		1,092,489
Profit /(Loss) on Sale of Shares	(62,660)		10,282,564
Profit/(Loss) on Sale of Mutual Fund Units			-
Profit/(Loss) on Sale of Mutual Fund (Debt) Units			-
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>		<b>973,400</b>	<b>2,029,272</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Interest Received	6,699		413,166
Interest & Bank Charges Paid	251,044		261,834
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>		<b>(244,345)</b>	<b>151,332</b>
Net Increase /(Decrease) in cash and cash Equivalents (A+B+C)		<b>(2,080,161)</b>	<b>795,079</b>
<b>CASH AND CASH EQUIVALENTS</b>			
Opening Balance in the beginning of the year	2,151,908		1,356,829
Closing Balance at the end of the year	71,747		2,151,908
<b>NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(2,080,161)</b>	<b>795,079</b>

For & on behalf of the Board of Directors

Director

Director

**Mumbai :**

We have examined the attached Cash Flow Statement of Salora Finance Limited for the year ended 31st March 2009.

The Statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause 32 with Mumbai Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 4th July 1996 to members of other Company



**FOR V. PAREKH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**RASESH V. PAREKH PARTNER**  
**MEMBERSHIP NO- 038615**

**Mumbai**

**DATE : 4TH SEPTEMBER, 2009.**