

ANNUAL ACCOUNT

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ARNAV CORPORATION LIMITED

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FOR THE YEAR 2010-2011

ARNAV CORPORATION LIMITED

Registered office:

32/115, Laxmi Industrial Estate,  
New Linking Road, Andheri (west),  
Mumbai- 400053

NOTICE

Notice is hereby given that the Annual General Meeting of the Share Holders of *MIS*. ARNAV CORPORATION LIMITED will be held, at 321115, Laxmi Industrial Estate, New Linking Road, Andheri (west), Mumbai- 400053 on Friday, 30<sup>th</sup> September 2011 at 11.00 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 2011, the Profit & Loss Account for the year ended on that date and the report of the Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Yradeep Parmar who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To re-appoint M/s. S.H. Garg & Associates Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

- 4 To consider and if thought fit, to pass, With or without modification(s), the following Resolution as an ordinary Resolution.

Resolved that Mr. Rajnish Kumar Sahay who was appointed an Additional Director of the Company on 29.01.2011 by the Board of Directors and who ceases to hold office under section 260 of the Companies Act, 1956 at this meeting, be and hereby appointed a Director of the Company

FOR AND BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
Chairman  
Place: Mumbai  
Date: 4th August 2011

Note:

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 that the proxy need not be a member of the Company. In order to be valid, the instrument appointing the proxy must be deposited at the registered office of the company not later than 48 hours before the schedule time of the meeting.
  2. Pursuant to Section 173 (2) of the companies Act; 1956 an Explanatory Statement in respect of the Special Business contained in the Notice is annexed hereto.
  3. The Register of Members and Share Transfer Book of the Company will remain closed from 22<sup>nd</sup> September, 2011 to 29<sup>th</sup> September, 2011 (both days inclusive)
  4. Shareholders are requested to bring their copies of the Annual Report to the Meeting.
  5. Corporate members intending to send /nominate their authorized representative to attend the meeting are requested to send certified copy of board resolution authorizing their representative to attend and vote on their behalf at the meeting
  6. Members desirous of asking any question at the annual General meeting are requested to send their questions so as to reach the register Office at least 7 days before the meeting so that the same can be suitably replied to.
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AlmAV CORPORATION LIMITED

Registered office:

32/115, Laxmi Industrial Estate,  
New Linking Road, Andheri (west),  
Mumbai- 400053

EXPLANATORY STATEMENT

[Pursuant to the Section 173 (2) of the Companies Act, 1956)

ITEM NO.4

Mr. Rajnish Kumar Sahay was appointed as an additional director of the company w.e.f. 29.01.2011 pursuant to section 260 of the companies act, 1956 and holds office up to the date of this annual General Meeting and in order to appoint him your approval is required.

The Board of Directors recommends that the resolution be passed as an ordinary Resolution.

Mr. Rajnish Kumar Sahay is concerned or interested in the said Resolution

FOR AND BEHALF OF THE BOARD

PLACE: MUMBAI  
DATED: 4th AUGUST 2011

Chairman

ARNAV CORPORATION LIMITED  
(Formerly polypro Fibrils (India) limited)

Registered office :  
32/115, Laxmi Industrial Estate,  
New Linking Road, Andheri (west),  
Mumbai- 400053

DIRECTORS REPORT

TO  
THE MEMBERS

The Directors have pleasure in presenting before you the Annual Report of the Company together with Audited statements for the year ended 31st March 2011.

**FINANCIAL RESULTS:**

	31.03.2011	31.03.2010
	Rupees	Rupees.
Total Income	128020013	212543318
Total Expenditure	130985342	209044817
Profit (loss) for the year before Tax	(2965329)	3498501
Provision for taxation including deferred tax	(254002)	1729492
Profit (loss) for the year after Tax	(2711327)	1769009
Profit (loss) carried to Balance Sheet	(1734502)	976825

DIVIDEND:

In view of losses the Board has not recommended any Dividend for the year ended 31st March 2011.

PARTICULARS OF EMPLOYEES:

The particulars of employees required to be given pursuant to sub-section (2A) of Section 217 of the Companies Act, 1956 are not annexed to this report since there are no employee drawing the remuneration beyond the prescribed limit.

CONSERVATION OF ENERGY. TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO:

Considering the nature of activities Company is not consuming any major power so there is no need to give the particulars about conservation of energy.

There is no foreign technology involved.



#### FIXED DEPOSITS:

The Company has not accepted any fixed deposits during the period ended March 31, 2011.

#### MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed section on Management Discussion and Analysis (MDA), pursuant to clause 49 of the listing agreement forms an integral part of this Annual Report.

#### CORPORATE GOVERNANCE:

Our Directors reaffirm their continued commitments to good corporate governance practices and our company adheres to all major stipulation in this regards -as provided in clause 49 of the listing agreement which relate to Corporate Governance. A detailed report on the corporate governance, together with, a certificate from statutory auditors forms part of this report.

#### INTERNAL CONTROL SYSTEM:

The company has proper and adequate system of internal control system commensurate with the size and nature of its business to ensure protection of asset, proper financial & operating functions and compliance with the policies, procedures, applicable Acts and Rules. Company's internal controls are supplemented by sound internal audit practices. The Audit committee at their meeting regularly reviews the financial, operating, internal audit & compliances reports -to improve performance. Further, the company has an independent internal audit system. The Process of internal audit involves, reviewing of existing controls and system. Internal audit also recommends actions for strengthening of the business processes. The internal audit ensure to operating guidelines, regulatory and legal requirement.

#### RISK MANAGEMENT SYSTEM:

Risk is an integral part of the business process. To enhance the risk management process, the company has mapped the risk. A system has been formulated based on the Balanced score card with various appropriate measure and accountabilities to identify, assess, priorities and mitigates the risk reports generated from the system are monitored regularly to ensure the appropriate corrective actions are taken.

The company manages business risks through strict compliance and internal checks. It will not be out of context to state that the system has worked very effectively during the year under review

#### DIRECTORS:

During the year under review Mr. Rajnish Kumar Sahay was appointed as an additional director of the company w.e.f.29.01.2011 pursuant to section 260 of the companies act, 1956 and holds office up to the date of this annual General Meeting

During the year under review Mr. Ronak chheda has resigned from the board w.e.f. 14.05.2011, the board takes the note of services rendered by him during his tenure.

Mr. Pradeep Parmar retires by rotation at this meeting and being eligible, offers himself for re-appointment.

#### DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant of Section 217(2AA) of the Companies Act, 1956 as inserted vide the Companies Amendment Act, 2000, your Directors confirm that:

- i. In preparation of Annual Accounts the applicable accounting standards have been followed.
- ii. 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 true and fair view of the state of affairs of the Company as on March 31, 2011 and of the profit of the company for the year ending March 31, 2011.
- iii. 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.
- iv. The Directors have prepared the annual accounts on a going concern basis.

#### AUDITORS:

*MIS S. H. GARG & ASSOCIATES.*, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of ensuing annual general Meeting and are recommended for re-appointment, Certificate from the Auditors has been obtained to the effect that their re-appointment, if made, would be within the limits specified under section 224(IB) of the Companies Act 1956

**AUDITORS REPORT :**

The Auditors reports to the shareholders for the year ended March 31, 2011 does not contain any qualification and does not call for any explanation/ Comments.

**AUDIT COMMITTEE:**

The company has appointed audit committee as required u/s 292A of the companies Act read with clause 49 f the listing agreement, comprising Mr. D.J Chaturvedi & other directors, Audit Committee meeting were held on in accordance with statutory requirements.

**HUMAN RESOURCES:**

; Our company believe\$ that the quality of employees is the key to its success in the long run and is committed to provide-necessary human development and training opportunities to equip them with required skills.

Our company constantly strives to provide the employees with the required training to hone their skills.

**ACKNOWLEDGEMENTS:**

Your Directors convey their sincere-thanks to the Government, Banks, Shareholders and Customers for their continued support extended to the Company at all times.

The Directors further express their deep appreciation to all employees for commendable teamwork, high degree of professionalism and enthusiastic efforts displayed by them during the year.

FOR AND BEHALF OF THE BOARD OF DIRECTORS

Place: Mumbai

CHAIRMAN

Dated: 4th August 2011



ARNAV CORPORATION LIMITED

Registered office:  
32/115, Laxmi Industrial Estate,  
New Linking Road, Andheri (west),  
Mumbai- 400053

EXPLANATORY STATEMENT

[Pursuant to the Section 173 (2) of the Companies Act, 1956)

ITEM NO. 4

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The Board of Directors recommends that the resolution be passed as an ordinary Resolution.

Mr. Rajnish Kumar Sahay is concerned or interested in the said Resolution

FOR AND BEHALF OF THE BOARD

Place: Mumbai  
Dated: 4th August 2011

Sd/-  
Chairman

## AUDITORS REPORT :

The Auditors reports to the shareholders for the year ended March 31, 2011 does not contain any qualification and does not call for any explanations/ Comments.

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## ACKNOWLEDGEMENTS:

Your Directors convey their sincere thanks to the Government, Banks, Shareholders and Customers for their continued support extended to the Company at all times.

The Directors further express their deep appreciation to all employees for commendable teamwork, high degree of professionalism and enthusiastic efforts displayed by them during the year.

FOR AND BEHALF OF THE BOARD OF DIRECTORS

Place: Mumbai

Dated: 4th August 2011

Sd/-

CHAIRMAN

S.H. GARG & ASSOCIATES  
Chartered Accountants

604, Platinum Techno Park,  
Behind Raghuleela Mall,  
Sector-30A, Vashi,  
Navi Mumbai - 400 703.

ARNAV CORPORATION LIMITED

YEAR ENDING: 31ST MARCH, 2011

**AUDITORS REPORT TO THE MEMBERS ARNAV CORPORATION LIMITED**

We have audited the attached Balance Sheet of M/s. ARNAV CORPORATION LIMITED, MUMBAI, as on 31st March, 2011 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

- 1 We conducted our audit in accordance with auditing standards generally accepted in India. These 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 amounts and disclosures in the financial statement. 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.
- 2 As required by Companies (Auditor's Report) Order 2003, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 3 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 purposes of our audit;
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books;
  - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the above books of accounts;

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- d) In our opinion, the Profit and Loss Account and Balance Sheet comply with the Accounting Standards referred to in sub-section (3c) of Section 211 of the Companies Act, 1956.
- e) On the basis of written presentation received from directors as on 31st March, 2011 and taken on records by the Boards of Directors, we report that none of the Directors are disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 on the accounts for the year ended on 31st March, 2011.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss accounts read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.
- I) insofar as it relates to the Balance Sheet, of the state of affairs of the company as at 31st March, 2011 and
  - II) insofar as it relates to the Profit & Loss account, of the loss of the company for the year ended on that date.
  - III) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For S. H., GARG & ASSOCIATES

**Chartered Accountants**

Proprietor  
(S.H.GARG)  
Mem. No. 085517  
Firm No. 103088W



Place : Navi Mumbai  
Date : 4th August, 2011



S.H. GARG & A SOCIATES  
Chartered Accountants

604, Platinum Techno Park,  
Behind Raghuleela Mall,  
Sector-30A, Vashi,  
Navi Mumbai - 400 703.

POLYPRO FIBR LS (INDIA) LIMITED

YEAR ENDING: 31ST MARCH, 2011

ANNEXURE 1'0 THE AUDITOR'S REPORT OF EVEN DATE

( Referred to in paragraph 2 thereof )

- i) In respect of fixed assets:
  - a) The company has maintained proper records showing full particulars, Including quantitative details and situation of fixed assets.
  - b) The fixed assets have been physically verified by the management during the year. We are Informed that no material discrepancies were noticed by the management on such verification.
  - c) The company has not disposed off any fixed assets during the year. Hence, the question of sale of substantial part of fixed assets affecting going concern does not arise.
- ii) In respect of Inventories:
  - a) The physical verification of inventory has been conducted at regular intervals by the management.
  - b) The procedure of physical verification of inventory followed by the management Is reasonable and adequate In relation to the size of the company and the nature of Its business.
  - c) The company has been maintaining proper records of the inventory and no material discrepancies were noticed.
- iii) In respect of loans secured or unsecured, granted or taken by the company, to or from companies, firms.or other parties covered in the register maintained under section 301 of the Act according to the Information and explanation given to us.
  - a) The company has not granted/taken loans to/from companies, firms or other parties covered in the register mentioned In Section 301 of the Act.
- iv) In our opinion and according to the information and explanation glyen to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its-business for the purchase of inventory and fixed assets and for the sale of goods.

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- v) In respect of transactions that need to be entered in the register maintained in pursuance of Section 301 of the Act in our opinion and according to the explanations given to us:
- a) The company has entered into transactions with parties mentioned in the register maintained in pursuance of Section 301. The company has maintained the necessary records for the same.
  - b) According to the information provided to us, the company has entered in the transaction which are reasonable and at prevailing market prices.
- vi) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits covered under section 58A and 58AA of the Act during the year. Hence, the question of compliance with the provisions of Section SSA and 58AA of the Act does not arise.
- vii) The Company has an Internal audit system commensurate with its *slie* and nature of the business.
- viii) The Central Government has not prescribed maintenance of cost records for the Company under section 209(1)(d) of the Act.
- ix) According to the information and explanation given to us in respect of statutory and other dues:
- a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, ESIC, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax, Cess and other statutory dues with appropriate authorities when applicable subject to point no. 7 of Schedule 'M' to the Balance Sheet.
  - b) There are disputed statutory dues as mentioned in point no. 10 of the Schedule 'M' to the Balance Sheet.
- x) According to the information and explanation given to us in respect of Loss :
- a) Since, the company has been registered for a period of more than five years and it has the accumulated losses of 17,34,502/- at the end of the financial year.
  - b) The company has incurred the cash losses of 27,61,794/- during the financial year into consideration.
  - c) The company has not incurred the cash losses during the financial year immediately preceding the financial year into consideration.
- xi) The Company has not taken any loan from any bank or financial institution. Hence, the question of default on repayment of dues to any bank or financial institution doesn't arise. The company has not issued any debentures.
- xii) According to the information and explanations given to us, the Company has not granted loans and advances on basis of security by way of pledge of shares, debenture and other securities.

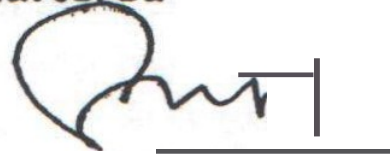
...C/fd..3..



- xlii) As per Information and explanations given to us, the nature of the Company's activities during the year under review is such that the provisions of any special statute applicable to chit fund are not applicable to the Company.
- xlv) As per Information and explanations given to us, the Company has not dealt in shares. However, It has Invested ₹ 71,78,000/- In share application money of Amav Green Energy limited. However, the Company has not dealt in debentures and other securities.
- xv) As per information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) As per information and explanations given to us, the company has not obtained any term loans during the year.
- xvii) According to the Information and explanations given to us, no funds has been raised on short-term basis which were used for long term Investment and vice versa.
- xviii) The Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under section 301 of the Act.
- xix) No debentures have been Issued by the Company during the year.
- xx) During the year, the Company has not raised any money by way of public issue.
- xxi) According to the information and explanations given to us, no fraud on or by the Company have been noticed or reported during the financial year under review.

For S. H.GARG & ASSOCIATES

Chartered Accountants



Proprietor  
(S.H.GARG)  
Mem.No.085517  
Firm No.103088W



Place : Navi Mumbai  
Date : 4th August, 2011





S. H. GARG & ASSOCIATES  
Chartered Accountants  
604, Platinum Techno Park,  
Behind Raghuleela Mall,  
Sector-30A, Vashi,

ARNAV CORPORATION LIMITED  
32/115, Laxmi Industrial Estate,  
New Linking Road,  
Andheri(West)  
Mumbai- 400 053.

BALANCE SHEET AS AT 31ST MARCH, 2011

PARTICULARS	SCH.	Current Year 31/03/2011 ( )	Previous Year 31/03/2010 ( )
<b>SOURCES OF FUND:</b>			
1) <u>SHAREHOLDERS' FUNDS</u>			
a) Share Capital	A	50,888,641	50,710,641
b) Share Premium		1,753,500	1,753,500
c) Profit & Loss Account		-	976,825
d) Share Application Money		3,180,000	32,450,000
		55,822,141	85,890,966
2) DEFERRED TAX LIABILITY		2,280,195	2,534,197
<b>TOTAL (1+2)</b>		<b>58,102,336</b>	<b>88,425,163</b>

APPLICATION OF FUNDS;

3) <u>FIXED ASSETS</u>	B	16,910,754	16,998,438
4) <u>INVESTMENTS</u>	C	7,178,000	7,300,000
5) <u>CURRENT ASSETS, LOANS &amp; ADVANCES</u>			
a) Sundry Debtors	D	25,751,178	118,147,630
b) Cash and bank balances	E	5,301,204	3,007,443
c) Other Current Assets, Loans and Advances	F	3,173,705	12,619,113
		34,226,087	133,774,186
Less : Current Liabilities & Provisions	G	1,947,007	69,647,661
		32,279,080	64,126,725
6) MISCELLANEOUS EXPENDITURE	H	-	-
7) PROFIT & LOSS ACCOUNT		1,734,502	-
<b>TOTAL(3+4+5+6+7)</b>		<b>58,102,336</b>	<b>88,425,163</b>

Notes to Accounts

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The Schedule & Notes referred to above form an integral part of the Accounts.

As per our report of even date

For S. H. GARG & ASSOCIATES  
Chartered Accountants

Proprietor.  
(S. H. GARG)  
Mem. No. 085517  
Firm No. 103088W

Place : Navi Mumbai  
Date : 4th August, 2011



FOR ARNAV CORPORATION LIMITED

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S

(Pradeep Parmar)

Place : Mumbai

Date : 4th August, 2011



S. H. GARG & ASSOCIATES  
Chartered Accountants  
604, Platinum Techno Park,  
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ARNAV CORPORATION UNITED  
32/115, Laxmi Industrial Estate,  
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Andheri (West),  
Mumbai - 400 053.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011

PARTICULARS	SCH.	Current Year 31/03/2011 ( )	Previous Year 31/03/2010 ( )
<b>INCOME ;</b>			
Sales	I	127,640,275	212,379,372
Interest Received	J	366,929	155,762
Miscellaneous Income		12,809	8,184
<b>TOTAL</b>		<b>128,020,013</b>	<b>212,543,318</b>
<b>EX ENDITUR!;: i</b>			
Cost of Goods Sold	K	126,374,413	206,871,946
Other Expenses	L	4,407,394	1,984,107
Interest Paid		-	-
De!reclation		2031535	1881764
<b>TOTAL</b>		<b>130,985!342</b>	<b>209,044,817</b>
Profit/(Loss) during the year before tax		(2,965,329)	3,498,501
Less: Income tax adjustment for earlier year		-	6,989
Provision for Income-tax		-	573,213
Provision for Fringe Benefit Tax		-	-
Deferred Tax Uability/(Assets)		{2541002}	1,149,290
Net Profit/(Loss) after tax		(2,711,327)	1,769,009
Balance brought forward		{1376 825}	(792.184}
Balance carried to Balance Sheet		• (1,734!502)	976,825

Notes to Accounts

The Schedules & Notes -referred to above form an integral part of the Accounts.

As per our report of even date

For S. H. GARG & ASSOCIATES  
Chartered Accountants



Proprietor (S. H.  
GARG) Mem. No.  
085517  
Firm No. 103088W



Place ; Navi Mumbai  
Date : 4th August, 2011

FOR ARNAV CORPORATION UNITED  
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R  
E (ved) (Pradeep Parmar)  
C  
T  
O  
R  
S (Pradeep Parmar)

Place.: Mumbai  
Date : 4th August, 2011





PARTICULARS	Current Year 31/03/2011 ( )	Previous Year 31/03/2010 ( )
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SCHEDULE 'A' ;  
SHARE CAPITAL  
*AuthoriSed capital*

1,10,00,000 (55,00,000) Equity Shares of  
10/- (10/-) each

110,000,000

55,000,000

*Issued. Subscribed & Paid Up Capital*

51,62,100 (51,62,100) Equity Shares of  
10/- (10/-) each fully paid up

51,621,000

51,621,000

~~Less: Calls~~ in Arrears

732,359

910,359

50,888,641

50,710,641



S. H. GARG & ASSOCIATES  
Chartered Accountants

ARNAV CORPORATION UNITED  
Mumbai- 400 053.

DEPRECIATION CHART AS PER STRAIGHT LINE METHOD FOR THE YEAR ENDED ON 31ST MARCH, 2011

SCHEDULE 'B':

Amount In'₹

Sr., No.	PARTICULARS Name of the Assets	Rate (%)	GROSS BLOCK			DEPRICIATION				NET BLOCK		
			Gross Value as 01.04.2010	Addition during the year	Sale /adjustment during the year	Gross Value as on 31.03.2011	Pep.upto 31.03.2010	Withdrawal during the year	Dep. during the year	TotalDep. upto 31.03.2011	Net Block as on 31.03.2011	Net Block as on 31.03.2010
1.	Land	0.00	<del>2,454,038</del>	-	-	2,454,038	-	-	-	-	2,454,038	<del>₹1,454,038</del>
2.	Franking Machine	4.75	26,140	-	-	26,140	16,146	-	1,242	17,388	8,752	9,994
3.	Transformer	4.75	224,236	-	-	224,236	138,463	-	10,651	149,114	75,122	85,773
4.	Furniture & Fixtures	6.33	723,473	27,227	-	750,700	593,900	-	47,519	641,419	109,281	129,573
5.	Electric Installation	4.75	808,270	-	-	808,270	492,270	-	38,393	530,663	277,607	316,000
6.	Air Conditioner	4.75	211,897	-	-	211,897	130,845	-	10,065	140,910	70,987	81,052
7.	Office Equipments	4.75	259,684	11,500	-	271,184	145,993	-	12,881	158,874	112,310	113,691
8.	Refrigerator	4.75	23,472	-	-	23,472	14,495	-	1,115	15,610	7,862	8,977
9.	Fax Machine	4.75	51,677	-	-	51,677	28,063	-	2,455	30,518	21,159	23,614
10.	Factory Building	3.34	1,972,493	-	-	1,972,493	879,281	-	65,881	945,162	1,027,331	1,093,212
11.	Borewell	4.75	17,500	-	-	17,500	4,986	-	831	5,817	11,683	12,514
12.	Computer	0.00	252,648	-	-	252,648	252,648	-	-	252,648	-	-
13.	12/3/D Wada	0.00	12,670,000	-	-	12,670,000	-	-	-	-	12,670,000	12,670,000
14.	Computers	16.21	-	77,124	-	77,124	-	-	12,502	12,021	64,622	-
<b>TOTAL</b>			<b>19,695,528</b>	<b>15,851</b>	<b>-</b>	<b>19,811,379</b>	<b>2,697,090</b>	<b>-</b>	<b>203,535</b>	<b>2,900,625</b>	<b>16,910,754</b>	<b>16,998,438</b>
<b>PREVIOUS YEAR</b>			<b>19,695,528</b>			<b>19,695,528</b>	<b>2,508,326</b>		<b>188,764</b>	<b>2,697,090</b>	<b>16,998,438</b>	<b>17,187,202</b>



PARTICULARS	Current Year 31/03/2011 ( )	Previous Year 31/03/2010 (₹)
<b>SCHEDULE 'C':</b>		
<b>INVESTMENTS</b>		
Investment in shares of Arnav Green Energy limited (90,000 unquoted equity shares of ₹ 10/- each fully paid up)	-	900,000
Share Application Money in Arnav Green Energy Limited	7,178,000	6,400,000
	<u>7,178,000</u>	<u>7,300,000</u>
<b>SCHEDULE 'D':</b>		
<b>SUNDRY DEBTORS</b>		
(unsecured, considered good)		
For a period exceeding		
i) 6 months	25,744,515	13,638,276
ii) others	6,663	104,509,354
	<u>25,751,178</u>	<u>118,147,630</u>
<b>SCHEDULE 'E':</b>		
<b>CASH &amp; BANK BALANCES</b>		
Cash-in-hand	4,677,244	2,496,549
Cash at Bank		
i) Industrial Bank Ltd.	-	9,494
ii) Canara Bank	7,063	12,635
iii) Axis Bank Ltd.	616,897	488,765
	<u>5,301,204</u>	<u>3,007,443</u>
<b>SCHEDULE 'F':</b>		
<b>OTHER CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
Advance Receivable In cash or kind	1,288,244	12,233,652
Prepaid Salary	25,000	25,000
Income Tax for A. Y. 2008-09	1,850,097	350,097
Advance paid to creditors	10,364	10,364
	<u>3,173,705</u>	<u>12,619,113</u>
<b>SCHEDULE 'G':</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS;</b>		
Sundry Creditors for Goods	-	67,716,990
Sundry Creditors for Expense	62,575	88,272
Profession Tax (E) Payable F.Y. 2010-11	5,000	-
Profession Tax Payable F. Y. 2009-10	2,820	2,820
Profession Tax Payable F. Y. 2010-11	6,300	-
T. D. S. on Professional Fees Payable F. Y. 2009-10	7,984	7,984
T. D. S. on Professional Fees Payable F. Y. 2010-11	17,244	-
Sales Tax Payable F. Y. 2009-10	182,707	182,707
Sales Tax Payable F. Y. 2010-11	13,689	-
Provision for Income-tax A. Y. 2008-09	1,075,000	1,075,000
Provision for Fringe Benefit Tax A. Y. 2008-09	475	475
Provision for Income-tax A. Y. 2010-11	573,213	573,213
	<u>1,947,007</u>	<u>69,647,461</u>







PARTICULARS	Current Year 31/03/2011 ( )	Previous Year 31/03/2010 (f)
<b>SCHEDULE 'H';</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
Web Designing Expenses	-	159,400
Less: <i>W/off</i> during the year	-	159,400
	<u>-</u>	<u>-</u>
<b>SCHEDULE 'I';</b>		
<b>SALES</b>		
Sales	127,640,275	212,379,372
	<u>127,640,275</u>	<u>212,379,372</u>
<b>SCHEDULE 'J';</b>		
<b>INTEREST RECEIVED</b>		
Interest received on calls In arrears	366,929	155,762
	<u>366,929</u>	<u>155,762</u>
<b>SCHEDULE 'K';</b>		
<b>COST OF GOODS SOLD</b>		
Opening Stock	-	-
Purchase during the year	126,374,413	217,955,956
Less : Purchase Returns	-	11,084,010
Net Purchases	126,374,413	206,871,946
Less : Closing Stock	-	-
	<u>126,374,413</u>	<u>206,871,946</u>



PARTICULARS	Current" Year 31/03/2011 (f)	- Previous Year - 31/03/2010 (f)
SCHEDULE 'L':		
OTHER EXPENSES		
Accounting Charges	-	15,000
<i>off</i>	2,297,700	-
Balances Written		18,846
Bank Charges	63,345	
Conveyance	-	1,885
Directors Remuneration	335,000	420,000
Electricity Charges	231,601	32,299
Legal and Professional Fees	177,438	156,304
Office Expenses	-	99,835
Printing & Stationary	63,637	-
Profession Tax (E)	5,000	-
Rates and 'faxes	341,700	275,342
<u>B. Qi:!!Ci !!! Malotgoan!:</u>		
i) On Building	-	15,000
ii) On Plant & Machinery	-	-
iii) On Others	112,522	22,562
Rent	180,000	240,000
Salary, Wages, Bonus	459,800	242,820
Sales Tax	13,689	182,707
Sundry Expenses	12,650	-
<i>Payment To Auditors</i>		
i) Statutory Audit Fees	27,575	27,575
ii) For any other matters	-	-
Telephone Expenses	33,759	31,478
Transfer Charges	15,824	28,060
Tax Audit Fees	25,000	15,000
Water Charges	1,143	-
Web Hosting Charges	10,011	-
Web Designing Exp. w/off	-	159,400
	4,407,394	1,984,107





**SCHEDULE 'M':****NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011**

- 1 Estimated amount of the capital commitment Nil (Rs. Nil)
- 2 Significant Accounting Policies :-
- The Company generally follows mercantile method of accounting except the following which are accounted on cash basis :
    - Gratuity and Incentives to employees
    - Income from Invest ent
    - Claims and Interest <ue on overdue bills.
  - Stock Valuation:-  
The Stock has been vah,jed at Cost or Market value whichever is less as valued and certified by the director.
  - Investments:-  
The Investment are valued at cost price.
  - Depreciation on fixed Assets have been provided on straight line method on single shift basis as per the rates provided In Schedule XIV of the Companres Act, 1956.
- 3 Income Tax :
- Income taxes are accounted for In accordance with Accounting Standard 22 on Accounting for Taxes on Income. Taxes comprise both current and deferred tax.
- Current tax is measured at amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws.
- The tax effect of the timing differences. that result between taxable Income and accounting Income and are capable of reversal In one or more subsequent periods are recorded as a deferred tax assets or liability.
- They are measured using the substantively enacted rates and tax regulations.
- 4 During the year the Company created deferred tax assets of 2,54,002/-.
- 5 In the opinion of the Board of Directors, the Current assets, loans and advances have a value which on realisation In the ordinary course of Business would be at least equal to the amount stated In the Balance Sheet.
- 6 There Is no practice of the Company to obtain confirmation of the sundry debtors and sundry creditors. Hence, the said accounts are subject to confirmation and reconciliations, if any.
- 7 The

**following undisputed, statutory dues were not paid by the Company till the date of audit.**

Particulars	Amount (₹)
T. D. S. on Professional Charges	
Profession Tax	5,228
Sales Tax	9,120
	106,396
<b>Total</b>	<b>230,744</b>





S, H. GARG & ASSOCIATES  
Chartered Accountants

ARNAV CORPORATION UNITED  
Mumbai - 400 053

SCHEDULE 'M':

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011**

B Pursuant to compliance of Accounting Standard (AS) 18 "Related Party Disclosures", provisions of section 301 of the Companies Act, 1956, as per Point (Ii)(a) of the Annexure to the Companies (Auditor's Report) Order, 2003, the loans taken or granted by the Company which is covered under section 370(1-B) of the Companies Act, 1956 and also Clause 32 of the Listing Agreement, on disclosure of Loans/Advances In the nature of loans, the relevant Information is provided hereunder. In our opinion, the Company has given loans and advances in contravention of sec. 295 of the Companies Act, 1956.

**A) Related Parties where control exists:**

Sr. No.	Name of Party	Relationship
1	D. J. Chaturvedi	Managing Director
2	Shailesh Chaturvedi	Director
3	Pradeep B. Parmar	Director
4	Ronak O. Chheda	Director

BI The details of the related parties with whom transactions have taken place in the current and the preceding year:-

<b>B. Goods sold</b>			
No.	Name of Party	Current Year ( )	Preceding Year
	Dicksha Infosystems Pvt. Ltd	358,460	

*W Director Remuneration*

Sr. No.	Name of Party	Current Year ( )	Preceding Year( )
1	D. J. Chaturvedi	240,000	180,000
2	Shallesh Chaturvedi	95,000	240,000

*iji Investment in Shares*

Sr. No.	Name of Party	Current Year ( )	Preceding Year( )
1	Amliv 13-ED::C9Y LIIDLd Share Application Money	7,178,000	6,400,000

*lv) Rent Paid*

Sr. No.	Name of Party	Current Year ( )	Preceding Year )
1	Status Publications Pvt. Ltd.	180,000	120,000



**SCHEDULE 'M':**

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011**

9 Pursuant to compliance of Accounting Standard (AS) 17 regarding "Segment Reporting" the relevant information is provided herewith below:

Particulars	Precious Gem Stones	Educational Books	Steel	Unallocated Items	Total
<b>REVENUE</b>					
Sales	78,728,797	44,358,460	4,553,018	-	117,640,275
Other Income					
Interest Received	-	-	-	366,929	366,929
Miscellaneous Income	-	-	-	12,809	12,809
<b>Total Revenue</b>				3	128,020,013
Purchases	77,853,169	44,100,776	4,420,468	-	126,374,413
Depreciation	-	-	-	203,535	203,535
Amortization	-	-	-	-	-
Other Expenses	-	-	-	4,407,394	4,407,394
<b>Total Expenditure</b>	77,853,169	44,100,776	4,420,468	4,610,929	130,985,342
<b>SEGMENT RESULT</b>					
Operating Profit	875,628	257,684	132,550	(4,231,191)	(2,965,329)
Prov. For Income-tax	-	-	-	-	-
Deferred Tax Assets	-	-	-	(254,002)	(254,002)
<b>Net profit</b>	<b>875,628</b>	<b>257,684</b>	<b>132,550</b>	<b>(3,977,189)</b>	<b>(2,711,327)</b>
<b>OTHER INFORMATION</b>					
<b>SEGMENT ASSETS</b>					
Fixed Assets	-	-	-	16,910,754	16,910,754
Investments	-	-	-	7,178,000	7,178,000
Sundry Debtors	-	-	127,776	25,623,402	25,751,178
Cash in hand	-	-	-	4,677,244	4,677,244
Bank Accounts	-	-	-	623,960	623,960
Other Current Assets, Loans & Advances	-	-	-	3,173,705	3,173,705
<b>Total assets</b>	-	-	<b>127,776</b>	<b>58,187,065</b>	<b>58,314,841</b>
<b>SEGMENT LIABILITIES</b>					
Sundry Creditors	-	-	-	62,575	62,575
Deferred Tax Liability	-	-	-	2,280,195	2,280,195
Profession Tax Payable	-	-	-	14,120	14,120
T. D. S. Payable	-	-	-	25,228	25,228
Sales Tax Payable	-	-	-	196,396	196,396
Provisions	-	-	-	1,648,688	1,648,688
Shareholders' Funds	-	-	-	54,087,639	54,087,639
<b>Total liabilities</b>	-	-	-	<b>58,314,841</b>	<b>58,314,841</b>





**SCHEDULE 'M':**  
**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011**

10 The Assessing Officer had raised the demand of ₹ 82,90,782/- against the Assessment Year 2008-09. However, the Company has filed an appeal to Commissioner of Income-tax (Appeals). In spite of the said appeal, the company has paid ₹ 18,50,097/- to the Income-tax department which is shown in the Balance Sheet as advances.

11 Additional Information pursuant to the para 3 & 4 of the II of the Companies Act, 1956.

Payment to Auditors:

	Current Year (₹)	Previous Year (₹)
I) Statutory Audit Fees	27,575	27,575
ii) For any other Matters	-	71,816
III) The Proprietor of the Auditor's Firm is the partner in another firm which has Charged the Fees during the year into consideration	25,000	15,000

12 Additional Information pursuant to the provisions of paragraph 3(x)(f), 4C and 40 of part II of Schedule VI of the Companies Act, 1956 are as follows:

a) Expenditure / Income in Foreign Currency	Amount	Amount (₹)
Expenditure in Foreign Currency	NIL	(NIL)
Earnings in Foreign Currency	NIL	(NIL)

b) Quantitative details:

Sr. No	Particulars	Current Year 31-03-2011	Previous Year 31-03-2010
i)	Licensed Capacity	N. A.	N. A.
ii)	Installed Capacity	N. A.	N. A.
iii)	Actual Production	N. A.	N. A.

Quantitative details for Educational Books :

Particulars	Year		Current Year (₹)	Previous Year (₹)
	(In Nos)	(In Nos)		
Opening Stock	-	-	-	-
Purchases	36,812	88,149	44,100,776	96,850,207
Sales	36,812	88,149	44,358,460	84,623,040
Closing Stock	-	-	-	-

Quantitative details for Precious Gem Stones :

Particulars	Year		Current Year (₹)	Previous Year (₹)
	(In Pcs)	(In Pcs)		
Opening Stock	-	-	-	-
Purchases	8,415	10,738	77,853,169	97,622,859
Sales	8,415	10,738	78,728,797	115,108,234
Closing Stock	-	-	-	-

Quantitative details for Steel :

Particulars	Year		Current Year (₹)	Previous Year (₹)
	(In tons)	(In tons)		
Opening Stock	-	-	-	-
Purchases	86	221	4,420,468	12,398,880
Sales	86	221	4,553,018	12,648,000
Closing Stock	-	-	-	-



**SCHEDULE 'M':**

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011**

As per the Information given by the Company, there are no suppliers who are covered under the Micro, Small and Medium Enterprises Development Act, 2006.

Pursuant to compliance of Accounting Standard (AS) 20 "Earnings per Share", the relevant information is provided here below :

	Particulars	Amount( )
1	Net profit / (loss) after tax as per Profit & Loss A/c	(2,711,327)
2	No. of Equity shares on 10/- during the year	5,162,100
3	Earnings/(Loss) per equity share of 10/- Each Basic/Diluted (1)/(2) (EPS)	(0.53)

15 The Company has not provided any liability for Gratuity and other dues of workmen.

16 Figures in brackets represent the figure of the previous year and have been regrouped/ rearranged whenever necessary.

17 Additional Information as required under part IV to the companies Act, 1956.  
Balance Sheet Abstract and Company's General Business Profile ;

<b>i. Registration Details</b>		
Registration No.		44592
State Code		11
Balance Sheet Date		31st March, 2011

<b>ii. Capital raised during the year:</b>	<b>in Lacs</b>
Public Issue	0.00
Rights Issue	0.00
Bonus Issue	0.00
Private Placement	0.00

<b>iii. Position of Mobilisation and Deployment of funds In Lacs :</b>	
Total liabilities	600.49
Total Assets	600.49
<b>Sources of Funds :</b>	
Paid up Capital	508.89
Reserves & Surplus	17.54
Share Application Money	31.80
Secured Loans	0.00
Unsecured Loans	0.00
Deferred Tax liabilities	22.80
<b>Application of Funds ;</b>	
Net Fixed Assets	169.11
Investments	71.78
Net Current Assets	322.79
Miscellaneous Expenditure	0.00
Accumulated Losses	17.35
Deferred Tax Assets	0.00







**SCHEDULE 'M':**

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011**

iv.	Performance of Company	( In Lacs)
	Turnover/Income	1,280.20
	Total Expenditure	1,309.85
	Profit/(Loss) before Taxation	(29.65)
	Less: Provision for Income-tax	-
	Less : Deferred Tax Uablllty / (Assets)	(2.54)
	Profit/(Loss) after tax	(27.11)
	Earnings/(Loss) Per Share In ( )	(0.53)
	Dividend Rate	-

**v. Generic Names of principal products, services of the Company**

Item Code no.	Product Description :	
		Educational Books, Precious Gem Stones, Steel

Signature to Schedule 'A' to 'M'

As per our report of even date

For S.H.GARG & ASSOCIATES  
Chartered Accountants



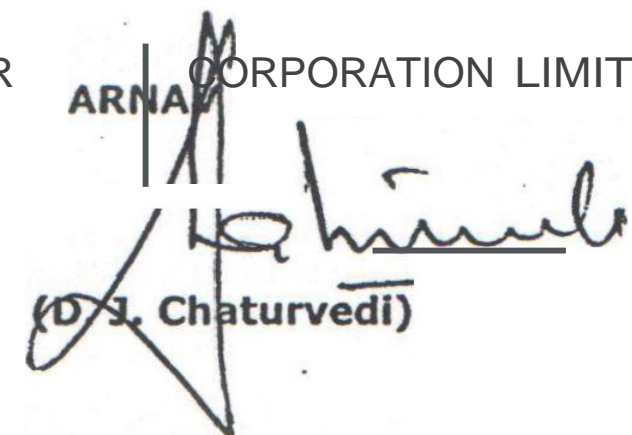
Proprietor  
(S. H. GARG)  
Mem. No. 085517  
Firm No. 103088W



Place : NavIMt. mbai  
Date : 4th August, 2011

FOR ARNAV CORPORATION LIMITED

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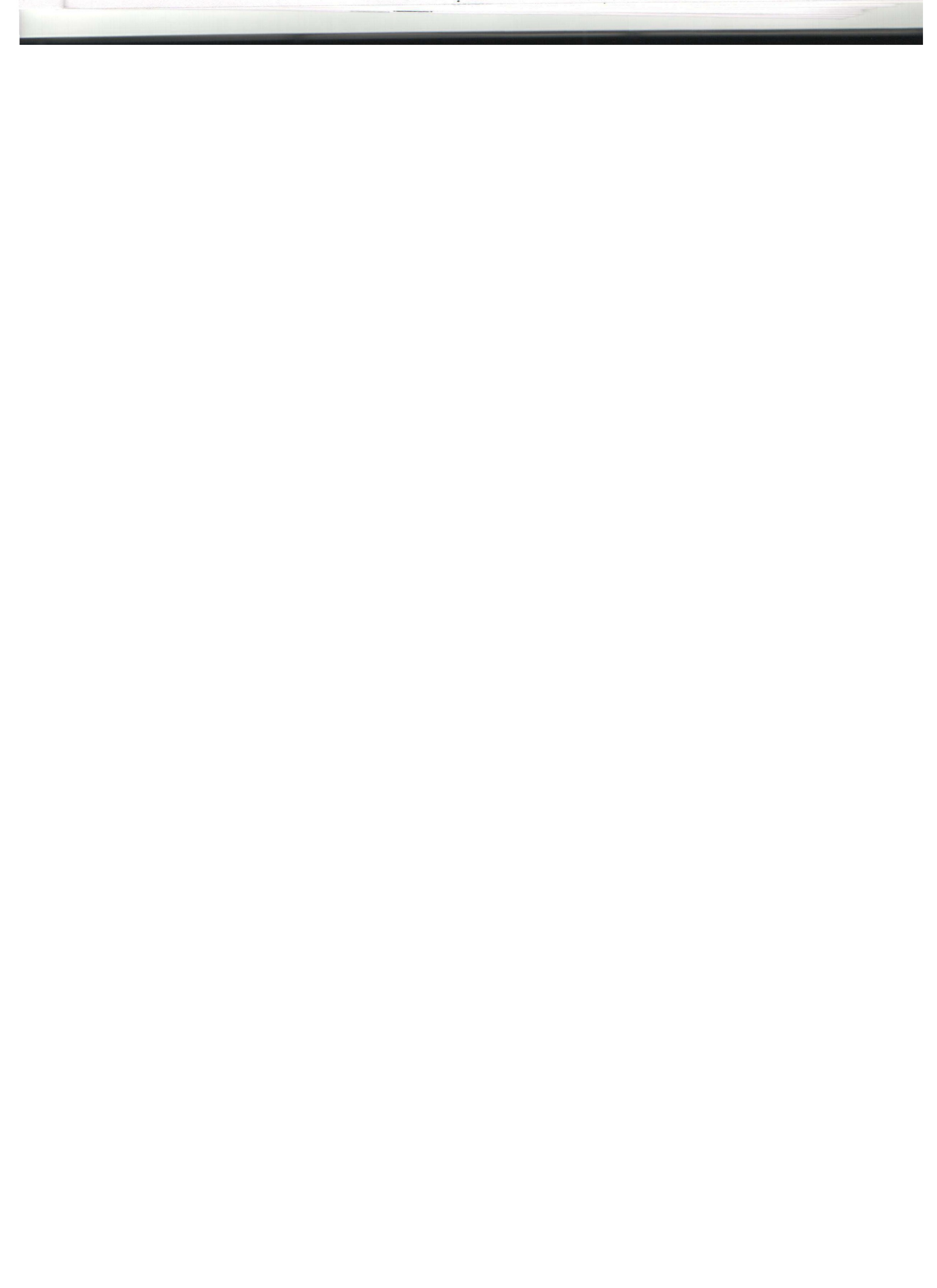


(D.J. Chaturvedi)



(Pradeep Parmar)

Place : Mumbai  
Date : 4th August, 2011



ARNAV CORPORATION LIMITED  
Miscellaneous Schedules  
ASSESSMENT YEAR: 2011-12

Advances Receivable In cash or kind

Particulars	Amt. ( )
Aryaman	200,000
Jayesh Navinchandra Shah	1,071,000
Shivhai-1 Jalan	4,744
Sunil Chaturvedi	12,500
	1,288,244

Sundry Creditors for Expenses

Particulars	Amt. ( )
Shivharl Infotech Pvt. Ltd.	10,000
Shiv Pawan & Company	25,000
S. H. Garg & Associates	27,575
	62,575







S. H.GARG & ASSOCIATES  
Chartered Accountants

604, Platinum Techno Park,  
Behind Raghuleela Mall,  
Sector 30A, Vashi,  
Navi Mumbai - 400 703.

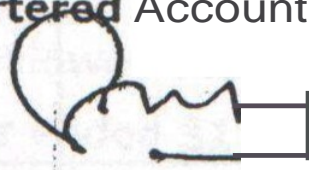
ARNAV CORPORATION LIMITED

YEAR ENDING: 31ST MARCH, 2011

AUDITORS' CERTIFICATE

We have audited the attached cash Flow Statement of ARNAV CORPORATION LIMITED, MUMBAI, as at 31 March, 2011. The statement is made by the Company and in accordance with the requirement of listing agreement Clause 32 with 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 dated 4th August, 2011, to the members of the Company.

For S. H.GARG & ASSOCIATES  
Chartered Accountants

  
Proprietor  
(S. H. GARG),  
Mem. No. 085517  
Firm No. 103088W



Place : Navi Mumbai  
Date : 4th August, 2011

S. H. GARG & ASSOCIATES  
Chartered Accountants  
604 Platinum Techno Park,  
Behind Raghuleela Mall,  
Sector-30A, Vashi,  
Navi Mumbai - 400 703

ARNAV CORPORATION LIMITED  
32/115, Laxmi Industrial Estate,  
New Linking Road,  
Mumbai - 400 053.

ANNEXURE TO CLAUSE-32 OF LISTING AGREEMENT  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

Particulars	₹ (In Lacs)
<b>A. Operating Activities:</b>	
Net Profit/(Loss) After tax and extraordinary items	(27.11)
Add:	
Depreciation	2.04
Provision for Income-tax	-
Items considered separately	
Add: Interest Paid	-
Items considered separately	
Less: Deferred Tax Assets the	(2.54)
Operating before working capital changes	(27.61)
Changes in Working Capital	
Decrease In Sundry Debtors	923.96
Decrease in Sundry Creditors	(677)
Increase In Other Current Liabilities	0.42
Increase in Other Current Assets	(15.00)
Net Changes In Working Capital	231.96
Net Cash Flow from Operating Activities	204.35
Less: Taxes Paid	0.00
Net Cash Flow from Operating Activities	204.35
<b>B. Cash Flow from Investment Activities :</b>	
Purchase of Fixed Assets	(1.16)
Decrease in Loans & Advances	109.45
Decrease Investment In shares	-
Net Cash Flow from Investment Activities	109.51
<b>C. Cash Flow from Financing Activities :</b>	
Decrease in Calls in arrears	1.78
Share back	-
Net Cash Flow from Financing Activities	(290.92)
Net Increase/(Decrease) in Cash & Cash Equivalents	22.94
Cash & Cash Equivalents as at 31st March, 2010	30.07
Cash & Cash Equivalents as at 31st March, 2011	53.01

**Cash & Cash Equivalents as at 31st March,**

For S.H.GARG & ASSOCIATES  
Chartered Accountants

Chartered Accountants

Proprietor  
(S. H. GARG)  
Mem.No.085517  
Firm No. 103088W

Place : Navi Mumbai  
Date : 4th August, 2011



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ARNAV CORPORATION LIMITED

ARNAV CORPORATION

(Pradeep Parmar)

D. J. Ch

(Pradeep Parmar)  
Place : Mumbai  
Date : 4th August, 2011

S.H.GARG & ASSOCIATES

Chartered Accountants  
804,Platinum Techno Park,  
Behind Raghuleela Mall  
Sector 30A,Vashi  
Navi Mumbai 400703

AUDITORS COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

We have reviewed the compliance conditions of Corporate Governance by Arnav Corporation Limited for the year ended 31st March 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The Complied conditions of Corporate Governance is the responsibility of the management • Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. 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 in all material respect as stipulated in the above mentioned listing agreement.

We state that there are no investor(s) grievance(s) pending for a period exceeding one month against the company as per the report given by the Registrar of Company and placed before the Investor(s) Grievance Committee.

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

For S.H.Garg & Associates  
Chartered Accountants  
Sd/-  
(S.H.Garg)  
Proprietor  
Membership no.085517  
Place Mumbai  
Dated 4th Aug.,2011



