UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended: JUNE 30, 2010

or

❐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from: ____________ to ____________

ANPATH GROUP, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	**333-123365**	**20-1602779**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

224 Rolling Hill Road, Suite 2A, Mooresville, NC 28117
(Address of Principal Executive Office) (Zip Code)

(704) 658-3350
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ❐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer	❐	Accelerated filer	❐
Non-accelerated filer	❐	Smaller reporting company	☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ❐ Yes ☒ No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at August 16, 2010
Common Stock, $.0001 par value	**17,466,295**

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ANPATH GROUP, INC
Consolidated Balance Sheets

	June 30, 2010 Unaudited	March 31, 2010 Audited
ASSETS		
CURRENT ASSETS		
Cash	$ 41,957	$ -
Accounts receivable, net	61,899	6,864
Prepaid expenses	84,094	31,207
TOTAL CURRENT ASSETS	**187,950**	**38,071**
PROPERTY AND EQUIPMENT		
Furniture & fixtures	205,694	205,694
Machinery & equipment	195,137	195,137
Capitalized software	3,210	3,210
Less accumulated depreciation	(286,009)	(270,171)
TOTAL FIXED ASSETS	**118,032**	**133,871**
OTHER ASSETS		
Trade secrets	1,026,000	1,026,000
Deposits	177,896	177,795
TOTAL OTHER ASSETS	**1,203,896**	**1,203,795**
TOTAL ASSETS	**$ 1,509,878**	**$ 1,375,737**
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 285,318	$ 368,483
Accrued interest payable	397,673	334,660
Wages payable	321,147	230,541
Current maturities of long-term debt, net of discount	3,639,840	2,920,951
TOTAL CURRENT LIABILITIES	**4,643,978**	**3,854,635**
LONG TERM LIABILITIES		
Notes payable, net of discount	-	-
TOTAL LONG TERM LIABILITIES	**-**	**-**
TOTAL LIABILITIES	**4,643,978**	**3,854,635**
COMMITMENTS AND CONTINGENCIES	**-**	**-**
STOCKHOLDERS' EQUITY		
Preferred stock, $0.0001 par value; 5,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, $0.0001 par value; 100,000,000 shares authorized, 17,466,295 and 17,020,462 shares issued and outstanding	1,747	1,702
Additional paid-in capital	30,072,461	30,013,696
Accumulated deficit	(33,208,308)	(32,494,296)
TOTAL STOCKHOLDERS' EQUITY	**(3,134,100)**	**(2,478,898)**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$ 1,509,878**	**$ 1,375,737**

See accompanying condensed notes to interim consolidated financial statements.

ANPATH GROUP, INC
Consolidated Statements of Operations
(Unaudited)

	For the Three Months Ended June 30, 2010	2009
REVENUES	$ 90,668	$ 141,400
COST OF SALES	85,077	105,503
Gross Profit	**5,591**	**35,897**
EXPENSES		
Sales	54,878	63,118
Product development	73,560	66,519
Corporate	259,202	141,617
Finance and administrative	65,201	125,262
Consultants	-	116,000
Compensation cost for re-pricing warrants	-	265,383
Financing expense	203,749	359,437
Total Expenses	**656,590**	**1,137,336**
LOSS FROM OPERATIONS	**(650,999)**	**(1,101,439)**
OTHER INCOME (EXPENSE)		
Interest expense	(63,013)	(40,139)
Interest income	-	-
Total Other Income and Expense	**(63,013)**	**(40,139)**
LOSS BEFORE TAXES	(714,012)	(1,141,578)
INCOME TAX EXPENSE	-	-
NET LOSS	**$ (714,012)**	**$ (1,141,578)**
BASIC AND DILUTED NET LOSS PER SHARE	**$ (0.04)**	**$ (0.07)**
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED	17,422,202	16,300,654

See accompanying condensed notes to interim consolidated financial statements.

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ANPATH GROUP, INC
Consolidated Statement of Cash Flows
(Unaudited)

	For the Three Months Ended June 30,	
	2010	**2009**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (714,012)	$ (1,141,578)
Depreciation and amortization	15,837	16,432
Stock issued for services	-	86,000
Stock options granted and warrants issued	58,812	39,434
Stock options re-priced for services	-	265,383
Discount on note payable	173,749	303,185
Adjustments to reconcile net loss to net cash used by operations:		
Decrease (increase) in accounts receivable	(55,035)	(23,206)
Decrease (increase) in prepaid expenses	(52,887)	(85,187)
Decrease (increase) in inventory	-	22,354
Decrease in trade secrets	-	-
Decrease (increase) in deposits	(101)	6,123
Increase (decrease) in accounts payable & accrued expenses	(83,165)	19,483
Increase (decrease) in accrued interest payable	63,013	39,056
Increase (decrease) in wages payable	90,606	(35,506)
Increase (decrease) in discount on notes payable	-	-
Net cash used by operating activities	**(503,183)**	**(488,022)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash provided (used) in investing activities	**-**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from notes payable	545,140	591,834
Payment of notes payable	-	(73,510)
Proceeds from the sale of common stock and warrants	-	-
Proceeds from the re-pricing of warrants	-	-
Net cash provided by financing activities	**545,140**	**518,324**
NET INCREASE (DECREASE) IN CASH	**41,957**	**30,302**
CASH - Beginning of period	-	11,231
CASH - End of period	**$ 41,957**	**$ 41,533**
SUPPLEMENTAL CASH FLOW DISCLOSURES:		
Interest expense	$ -	$ 1083
Income taxes	$ -	$ -

See accompanying condensed notes to interim consolidated financial statements.

ANPATH GROUP, INC
CONDENSED NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2010

Anpath Group, Inc. (hereinafter the "Company") was incorporated in the State of Delaware on August 26, 2004. The principal business of the Company is a holding company. The Company's sole subsidiary is EnviroSystems, Inc. (hereinafter "ESI") The Company's name was changed to Anpath Group, Inc on January 8, 2008 at a special meeting of the shareholders' of the Company. The Company's former name was Telecomm Sales Network, Inc. The Company's headquarters is located in Mooresville, North Carolina. The Company's yearend is March 31.

ESI provides infection control products on an international basis through both direct sales and channels of distribution. While ESI's current focus is on the health care market, products are also sold to transportation, military and industrial/institutional markets. ESI products are manufactured utilizing chemical-emulsion technology, designed to make the products effective against a broad spectrum of harmful organisms while safe to people, equipment and habitat.

NOTE 1 – BASIS OF PRESENTATION

The foregoing unaudited interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim consolidated financial information and with the instructions to Regulation S-K as promulgated by the Securities and Exchange Commission. Accordingly, these financial statements do not include all of the disclosures required by generally accepted accounting principles in the United States of America for complete financial statements. These interim financial statements should be read in conjunction with the annual financial statements of the Company included in its Annual Report on Form 10-K which was filed with the SEC on July 14, 2010. In the opinion of management, all adjustments and disclosures necessary for a fair presentation of these interim statements have been included. All such adjustments are, in the opinion of management, of a normal recurring nature.

Operating results for the three month period ending June 30, 2010 are not necessarily indicative of the results that may be expected for the year ending March 31, 2011.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America, and have been consistently applied in the preparation of the financial statements.

The following are summarized accounting policies considered to be significant by the Company's management:

Accounting Method

The Company's financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and have been consistently applied in the preparation of the consolidated financial statements.

Cash and Cash Equivalents

The Company considers all unrestricted cash, short-term deposits, and other investments with original maturities of no more than ninety days when acquired to be cash and cash equivalents for the purposes of the statement of cash flows

Accounts Receivable

Accounts receivable are uncollateralized customer obligations due under normal trade terms requiring payment within thirty days from the invoice date or as specified by the invoice and are stated at the amount billed to the customer. Customer account balances with invoices dated over ninety days or ninety days past the due date are considered delinquent.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of the amount that will not be collected. Management reviews all accounts receivable balances that are considered delinquent and, based on an assessment of current credit worthiness, estimates the portion, if any, of the balance that will not be collected. In addition, management periodically evaluates the adequacy of the allowance based on the Company's past experience. Allowance for doubtful accounts amounted to $-0- and $-0- at June 30, 2010 and March 31, 2010, respectively.

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June 30, 2010

Earnings Per Share

The Company has adopted Statement of Financial Accounting Standard No. 128 "Earnings per Share" ("SFAS 128"), which provides for calculation of "basic" and "diluted" earnings per share. Basic earnings per share includes no dilution and is computed by dividing net income available to common shareholders by the weighted average common shares outstanding for the period. Diluted earnings per share reflect the potential dilution of securities that could share in the earnings of an entity similar to fully diluted earnings per share. Although there were common stock equivalents outstanding at June 30, 2010 and March 31, 2010, they were not included in the calculation of earnings per share because their inclusion would have been considered anti-dilutive.

Provision for Taxes

Income taxes are provided based upon the liability method of accounting pursuant to Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" ("SFAS 109"). Under this approach, deferred income taxes are recorded to reflect the tax consequences in future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end. A valuation allowance is recorded against deferred tax assets if management does not believe the Company has met the "more likely than not" standard imposed by SFAS 109 to allow recognition of such an asset.

At June 30, 2010, the Company had net deferred tax assets calculated at an expected rate of 34% of approximately $11,291,000 (March 31, 2010 - $11,048,000) principally arising from net operating loss carry forwards and stock compensation. As management of the Company cannot determine that it is more likely than not that the Company will realize the benefit of the net deferred tax asset, a valuation allowance equal to the net deferred tax asset was recorded at June 30, 2010.

The significant components of the deferred tax asset at June 30, 2010 and March 31, 2010 were as follows:

	June 30, 2010	March 31, 2010
Estimated net operating loss carry forward	$ 33,208,000	$ 32,494,000
Deferred tax asset	$ 11,291,000	$ 11,048,000
Deferred tax asset valuation allowance	(11,291,000)	(11,048,000)
Net deferred tax asset	$ -	$ -

At June 30, 2010, the Company has net operating loss carry forwards of approximately $33,208,000 ($32,494,000 at March 31, 2010), which expire in the years 2023 through 2028. The change in the allowance account from March 31, 2010 to June 30, 2010 was $243,000.

Although we believe that our estimates are reasonable, no assurance can be given that the final tax outcome of these matters will not be different than that which is reflected in our tax provisions. Ultimately, the actual tax benefits to be realized will be based upon future taxable earnings levels, which are very difficult to predict.

Fair Value Measurements

SFAS No. 157, Fair Value Measurements ("SFAS 157"), defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles, and expands disclosures about fair value measurements. On April 1, 2008, the Company adopted the provisions of SFAS No. 157 related to its financial assets and liabilities measured at fair value on a recurring basis. SFAS No. 157 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

ANPATH GROUP, INC
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The three levels of the fair value hierarchy defined by SFAS No. 157 are as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities. Active markets are those in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace.

Level 3 – Pricing inputs include significant inputs that are generally unobservable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value. Level 3 instruments include those that may be more structured or otherwise tailored to the Company's needs.

On April 1, 2008, we adopted SFAS 157. We had no assets or liabilities measured at fair value on a recurring basis. Therefore, the initial adoption of SFAS 157 had no impact on our Consolidated Financial Statements. On December 14, 2008 the FASB issued a proposed FASB staff position ("FSP") that would amend SFAS 157 to delay its effective date for all non-financial assets and non-financial liabilities, except for those that are recognized or disclosed at fair value in the financial statements on a recurring basis, that is, at least annually. For items within the scope of the proposed FSP the effective date of SFAS 157 would be delayed to fiscal years beginning after November 15, 2008 (fiscal 2010 for the Company) and interim periods within those fiscal years. During February 2008, the FASB confirmed and made effective the FSP. The Company has chosen not to implement SFAS 157 for non-financial assets and non-financial liabilities at this time.

Fixed Assets

Equipment is recorded at cost. Depreciation and amortization are provided using the straight-line method over the useful lives of the respective assets, typically 3-7 years. Major additions and betterments are capitalized. Upon retirement or disposal, the cost and related accumulated depreciation or amortization is removed from the accounts and any gain or loss is reflected in operations.

The following table summarizes the Company's fixed assets:

	June 30, 2010	March 31, 2010
Office Equipment	$ 51,347	$ 51,347
Furniture & Fixtures	11,825	11,825
Marketing/Trade Show Equipment	2,659	2,659
Manufacturing Equipment	195,138	195,138
Laboratory Equipment	139,862	139,138
Capitalized Software	3,210	3,210
	404,041	382,230
Allowance for Depreciation and amortization	(286,009)	(270,171)
Fixed Assets, net	$ 118,032	$ 133,871

Depreciation expense for the Three Months periods ending June 30, 2010 and 2009 was $15,837 and $16,432 respectively.

ANPATH GROUP, INC
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Going Concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern.

As shown in the financial statements, the Company incurred a net loss for the three months ended June 30, 2010 and 2009, and has an accumulated deficit of $33,208,308 since the inception of the Company. These factors indicate that the Company may be unable to continue in existence. The financial statements do not include any adjustments related to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary in the event the Company cannot continue existence. The Company anticipates its projected business plan will require a minimum of $1,500,000 to continue operations for the next eighteen months.

Impairment of Long Lived Assets

The Company assesses potential impairment of its long lived assets, which include its property and equipment and its identifiable intangibles such as its trade secrets under the guidance of Statement of Financial Standards No. 144, “Accounting for the Impairment or Disposal of Long Lived Assets.” On an annual basis, or as events and circumstances indicate that an asset may be impaired, the Company assesses potential impairment of its long lived assets. The Company determines impairment by measuring the undisclosed future cash flows generated by the assets, comparing the results to the assets' carrying value and adjusting the assets to the lower of the carrying value to fair value and charging current operations for any measured impairment.

Concentration Risk

Sales to one customer accounted for 15% of our sales in the three months ended June 30, 2010. Sales to a metropolitan mass transit authority, international distributors and an airline distributor represented approximately 92% of our sales for the three months ended June 30, 2009.

The Company relied upon a single supplier to provide it with PCMX, which is the biocide used in our chemical emulsion disinfectant products. Although there are other suppliers of this material, a change in suppliers would cause a delay in the production process, which could ultimately affect operating results.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiary. All significant intercompany transactions and balances have been eliminated in consolidation. References herein to the Company include the Company and its subsidiary, unless the context otherwise requires.

Reclassifications

Certain amounts have been reclassified from the prior financial statements for comparative purposes.

ANPATH GROUP, INC
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Revenue Recognition

Revenue is generally recognized and earned when all of the following criteria are satisfied: a) persuasive evidence of sales arrangements exists; b) delivery has occurred; c) the sales price is fixed or determinable; and d) collectibility is reasonably assured.

Persuasive evidence of an arrangement is demonstrated via a purchase order from our customers. Delivery occurs when title and all risks of ownership are transferred to the purchaser which generally occurs when the products are shipped to the customer. No right of return exists on sales of product except for defective or damaged products. The sales price to the customer is fixed upon acceptance of purchase order. To assure that collectibility is reasonably assured, credit evaluations are performed on all customers.

Stock Based Compensation

The Company measures compensation cost for its stock based compensation plans under the provisions of Statement of Financial Accounting Standards No. 123(R), “Accounting for Stock Based Compensations.” This statement supersedes APB Opinion No. 25, “Accounting for Stock Issued to Employees,” and its related implementation guidance. This statement establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity's equity instruments or that may be settled by the issuance of those equity instruments. This statement focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. SFAS No. 123(R), "Accounting for Stock-Based Compensation", requires companies to include expenses in net income (loss) and earnings (loss) for each issuance of options and warrants. The Company uses the Black-Scholes option valuation model to value its issuance of options and warrants.

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

ANPATH GROUP, INC
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NOTE 3 - NOTES, LOANS AND CONVERTIBLE DEBT

Notes payable consists of the following:

	June 30, 2010	March 31, 2010
7% note due July 8, 2010 payable to ANPG Lending, LLC	$ 1,500,000	$ 1,500,000
6% notes due on or before May 10, 2009 payable to our CEO	93,700	93,700
6% notes due on demand payable to Arthur Douglas & Associates	85,000	85,000
6% notes due on demand payable to our CFO	6,000	6,000
10% notes due April 8, 2010 payable to unrelated individuals	537,500	537,500
10% notes due July 1, 2010 payable to unrelated individuals	357,500	357,500
8% notes due from August 25, 2010 through December 24, 2010 payable to unrelated individuals	515,000	515,000
7% notes due upon the confirmation of the reorganization plan	210,000	-
7% notes due upon the confirmation of the reorganization plan	286,000	-
3.74% premium finance note due in eight monthly installments beginning July 5, 2010	49,140	-
Total Notes Payable	3,639,840	3,094,700
Discount on notes payable	-	(173,749)
Notes Payable, net of discount	$ 3,639,840	$ 2,920,951

During the three months ended June 30, 2010 the Company borrowed from various parties the aggregate amount of $496,000, $286,000 prior to filing for Chapter 11 reorganization and $210,000 in authorized debtor-in-possession financing. After June 30, 2010, the Company borrowed an additional $130,000 in authorized debtor-in-possession financing.

According to the plan of reorganization, if approved, all notes payable will be converted into new common stock equity of the reorganized company.

NOTE 4 - COMMITMENTS AND CONTINGENCIES

Operating Leases

The Company has formal operating leases for all of its office and laboratory space. The Company has also entered into a three year office lease agreement to begin October 1, 2009 for an office/warehouse combination in Mooresville, NC. Lease payments under the new office lease will be $2,695 per month for the first year and increases 3% for each subsequent year.

Rent expense relating to operating spaces leased was approximately $11,191 and $11,681 for the three months ended June 30, 2010 and 2009, respectively.

	Payments Due by Period				
Contractual Obligations	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Office Lease	$ 73,010	$ 33,150	$ 39,860	$ -	$ -
Total Contractual Cash Obligations	$ 73,010	$ 33,150	$ 39,860	$ -	$ -

ANPATH GROUP, INC
CONDENSED NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 5 - PREFERRED STOCK AND COMMON STOCK

Preferred Stock

As of June 30, 2010, no preferred stock has been issued by the Company.

Common Stock

Common Stock
The Company is authorized to issue 100,000,000 shares of $0.0001 par value common stock. All shares have equal voting rights, are non-assessable and have one vote per share. Voting rights are not cumulative and, therefore, the holders of more than 50% of the common stock could, if they choose to do so, elect all of the directors of the Company.

Warrant Exercise

On April 9, 2010, the Company issued 445,833 shares of common stock in the cashless exercise of warrants.

NOTE 6 - STOCK PURCHASE WARRANTS

The following is a summary of all common stock warrant activity during the three months ended and June 30, 2010 and the year ended March 31, 2010:

	Number of Shares Under Warrants	Exercise Price Per Share	Weighted Average Exercise Price
Warrants issued and exercisable at: March 31, 2009	7,643,014	$ 0.20-5.00	$ 2.25
Warrants issued	3,288,500	0.75	0.75
Warrants expired	(134,308)	5.00	1.67
Warrants exercised	(748,859)	.20	.20
Warrants issued and exercisable at: March 31, 2010	10,048,347	$ 0.20-5.00	$ 1.18
Warrants issued	-	-	-
Warrants expired	(1,490,823)	0.20–2.50	1.03
Warrants exercised	(445,833)	0.20	0.20
Warrants issued and exercisable at: June 30, 2010	8,111,691	0.20–2.50	1.22

ANPATH GROUP, INC
CONDENSED NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2010

The following represents additional information related to common stock warrants outstanding and exercisable at June 30, 2010:

	Outstanding and Exercisable		
Range of Exercise Price	Number of Shares Under Warrants	Weighted Average Remaining Contract Life in Years	Weighted Average Exercise Price
$ 0.20 – 2.70	4,363,636	2.25	$ 1.65
$ 0.20-0.88	2,249,555	3.69	0.70
$ 0.75	1,498,500	4.36	0.75
Total	8,111,691	2.95	1.22

The Company used the Black-Scholes option price calculation to value the warrants issued during the year ended March 31, 2010 using the following assumptions: risk-free rate of 0.25-4.50%; volatility of 63% to 67; zero dividend yield; the actual exercise term of the warrants issued and the exercise price of warrants issued.

NOTE 7 - EQUITY COMPENSATION PLAN

The Company has two stock option plans: (a) the 2006 Stock Incentive Plan and (b) the 2004 Equity Compensation Plan which both have been approved by both the Board of Directors and the shareholders. An aggregate amount of common stock that may be awarded and purchased under the Plans is 3,700,000 shares of the Company's common stock.

The exercise price for incentive stock options granted under the 2006 and 2004 Plans may not be less than the fair market value of the common stock on the date the option is granted, except for options granted to 10% stockholders which must have an exercise price of not less than 110% of the fair market value of the common stock on the date the option is granted. The exercise price for non-statutory options is determined by the Compensation Committee of our Board of Directors. Incentive stock options granted under the plans have a maximum term of ten years, except for grants to 10% stockholders which are subject to a maximum term of five years. The term of non-statutory stock options is determined by the Compensation Committee of our Board of Directors. Options granted under the plans are not transferable, except by will and the laws of descent and distribution.

Under the Plans during the three months ended June 30, 2010 and the year ended March 31, 2010, the Company granted -0- and 1,390,000 stock options to employees and directors. The options were granted with an exercise prices $0.24 and will fully vest from one to four years of service. The options were valued using the fair value method as prescribed by ASC 718 Compensation-Stock Compensation. This amount will be accrued to compensation expense over the expected service term as vested. The accrued compensation expense related to these options for the year ended March 31, 2010 and 2009 is $58,812 and $39,433 and has been expensed in the three months ended June 30, 2010 and 2009, respectively, and credited to additional paid-in capital.

ANPATH GROUP, INC
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As of June 30, 2010 there were 920,000 remaining options available to be issued in the 2006 Stock Incentive Plan and the 2004 Equity Compensation Plan.

The following is a summary of all common stock option activity during the three months ended June 30, 2010 and the year ended March 31, 2010:

	Shares Under Options Outstanding	Weighted Average Exercise Price
Options outstanding at March 31, 2009	1,548,552	$ 2.49
Options granted	1,390,000	0.24
Options expired	-	-
Options exercised	-	-
Options outstanding at March 31, 2010	2,938,552	1.42
Options granted	-	-
Options expired	(17,958)	5.00
Options exercised	-	-
Options outstanding at June 30, 2010	2,920,594	$ 1.40

	Options Exercisable	Weighted Average Exercise Price per Share
Options exercisable at March 31, 2010	1,536,052	$ 2.49
Options exercisable at June 30, 2010	1,923,557	$ 1.99

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The following represents additional information related to common stock options outstanding and exercisable at June 30, 2010:

Range of Exercise Price	Number Outstanding at March 31, 2010	Weighted Average Remaining Contractual Life Years	Weighted Average Exercise Price (Total Shares)	Number Exercisable at March 31, 2010	Weighted Average Exercise Price (Exercisable Shares)
$ 3.40	63,854	4.34	$ 3.40	63,854	$ 3.40
$ 5.00	54,375	0.54	$ 5.00	54,375	$ 5.00
$ 1.61 - 2.95	22,365	5.96	$ 2.06	22,365	$ 2.06
$ 2.00 - 2.85	1,390,000	3.05	$ 2.32	1,390,000	$ 2.32
$ 0.24	1,390,000	8.84	$ 0.24	333,600	$ 0.24
$ 0.63 - 5.00	2,920,594	5.81	$ 1.40	1,923,557	$ 1.99

Total compensation cost related to non-vested stock options as of June 30, 2010 and March 31, 2010 was $149,211 and $208,022, respectively.

Weighted average period of non-vested stock options was 8.84 years as of June 30, 2010.

The Company used the Black-Scholes option price calculation to value the options granted in the year ended March 31, 2010 using the following assumptions: risk-free rate of 1% to 4.5%; volatility of 63% to 67%; zero dividend yield; half the actual term and exercise price of options granted.

NOTE 8 – RELATED PARTY TRANSACTIONS

At June 30, 2010 the Company's CEO had loan to the Company in the amount of $93,700 plus accrued interest of $9,913. The loans are due on demand after 90 days and bear interest at 6%. In addition, the Company issued to the CEO five year warrants to purchase up to an aggregate of 116,146 shares of the Company's common stock at an exercise price of $0.88 per share.

At June 30, 2010, the Company's CFO, had a loan to the Company in the amounts of $6,000 plus accrued interest of $638. The loan is due on demand after 90 days and bear interest at 6%. In addition, the Company issued to the CFO a five year warrant to purchase up to an aggregate of 6,818 shares of the Company's common stock at an exercise price of $0.88 per share.

At June 30, 2010 the CEO and CFO have deferred their salaries in the amount $150,338 and $87,510, respectively.

NOTE 9 – SUBSEQUENT EVENT

In July 2010 the Company borrowed an additional $130,000 in authorized debtor in possession financing.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Report contains certain financial information and statements regarding our operations and financial prospects of a forward-looking nature. Although these statements accurately reflect management's current understanding and beliefs, we caution you that certain important factors may affect our actual results and could cause such results to differ materially from any forward-looking statements which may be deemed to be made in this Report. For this purpose, any statements contained in this Report which are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as "may", "intend", "expect", "believe", "anticipate", "could", "estimate", "plan", or "continue" or the negative variations of these words or comparable terminology are intended to identify forward-looking statements. There can be no assurance of any kind that such forward-looking information and statements in any way reflect our actual future operations and/or financial results, and any of such information and statements should not be relied upon either in whole or in part in any decision to invest in the shares. Many of the factors, which could cause actual results to differ from forward looking statements, are outside our control. These factors include, but are not limited to, the factors discussed under "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2009 and incorporated herein by reference.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

General

Anpath Group, Inc. ("**Anpath**", the "**Company**", "**we**" or "**us**") through our wholly-owned subsidiary EnviroSystems, Inc. ('**ESI**"), produces disinfecting, sanitizing and cleaning products designed to help prevent the spread of infectious microorganisms, while minimizing the harmful effects to people, application surfaces and the environment. We believe that the ability to destroy a wide-range of disease-causing microorganisms combined with a favorable profile for health and environmental effects makes our products ideal for use in a wide range of applications/markets that are in need of disinfection/cleaning products that are safe to use and non-toxic.

We are directed by our mission to *"Provide a healthier today and a safer tomorrow through knowledgeable people and innovative infection prevention, decontamination, and health science technologies, products, and services."* We intend to utilize our technology and resources to develop products that reduce biological risks without introducing the attendant chemical risks that are so prevalent today. It is this focus on developing safe infection prevention technologies that we believe will position us in the forefront of the industry at a time when there is rapidly growing awareness of the critical need to prevent biological risks — both natural and man-made.

Our headquarters is located at 224 Rolling Hill Road, Suite 2A, Mooresville, North Carolina 28117. Our telephone number is (704) 658-3350.

Recent Developments

On May 20, 2010 Anpath filed petitions under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware.

The Need for Chapter 11 Restructuring

The Company was in default or approaching default on its Secured Loan Agreements and Secured Notes totaling approximately $3,380,700 as of May 10, 2010. In the fiscal years ended March 31, 2008 and 2009, the Company reported net losses of $4,948,301 and $4,023,929. While smaller, less experienced, and lacking the resources of its major competitors, Anpath's operating subsidiary has established strong positions in several major markets, including a letter of intent with a major supplier of oil and gas industry chemicals and a distribution contract with a national franchise cleaning service.

The Company's lack of revenue and profit made it impossible for it to continue to satisfy its senior creditors. In this regard, pursuant to a loan agreement originally dated January 8, 2008, ANPG Lending LLC ("ANPG Lending") purchased certain secured convertible promissory notes from Anpath (the "Notes") in the aggregate principal amount of $1,500,000 (the "Principal Amount"). Pursuant to the terms of the Notes, the Principal Amount, together with all accrued and unpaid interest thereon (collectively, with the Principal Amount, the "Outstanding Amount"), was originally due and payable in full on July 8, 2009. ANPG Lending agreed to extend the original maturity date of the Outstanding Amount and, on September 8, 2009, November 8, 2009, and March 31, 2010, respectively, entered into certain forbearance agreements with Anpath. Per the terms of the November 8, 2009 forbearance agreement, the Outstanding Amount was rescheduled to be due and payable on March 31, 2010 (the "New Maturity Date").

When Anpath was unable to repay the Notes on the New Maturity Date, Anpath Lending, working with Laidlaw & Company (UK) Ltd. ("Laidlaw"), agreed to lend the Company additional funds for use as working capital (the "Additional Funding") in order to provide the Company an opportunity to complete a plan of action that would address its short and long term capital needs.

Faced with declining liquidity, upcoming interest payments, over $2,910,000 in 2010 debt maturities, and the inability to access the capital markets to restructure its balance sheet, the Company pursued various strategic alternatives in late 2009 and early 2010, including seeking to extend the maturities on its debt due in 2010, seeking to implement debt exchanges, seeking to issue new debt for cash and/or in exchange for debt, and pursuing asset sales. Ultimately, the efforts to restructure outside of Chapter 11 were unsuccessful and Anpath commenced negotiations with its secured lender and certain noteholders. Those negotiations led to the formation of the consensual Plan to restructure the Company's debt obligations, and the Company filed Chapter 11 to implement its restructuring.

The Chapter 11 Petition

On May 20, 2010 (the "Filing Date"), with no other tenable alternative available to it, Anpath filed petitions under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware pursuant to which it proposed a plan of reorganization (the "Plan").

The Additional Funding amount that was agreed to between Anpath and its principal creditors is $700,000. Of this amount, prior to the Filing Date $100,000 was advanced by Anpath Lending and $186,000 by investors introduced by Laidlaw (collectively, the "Interim Notes"). The $414,000 balance (hereinafter referred to as the "DIP Facility") is intended to be provided through the issuance of additional notes (the "Post-Petition DIP Notes"), $250,000 of which are to be purchased by Anpath Lending and $164,000 by investors to be introduced by Laidlaw. The Interim Notes were issued with a 7% per annum rate of interest, as will the Post-Petition DIP Notes to be issued under the DIP Facility.

The Plan proposes a restructuring of the debt and other claims against the Company vis-à-vis the interests of its current shareholders. The Plan must be voted on by the holders of claims against and interests in the Company and, in connection therewith, the Plan must meet various standards to be approved (and confirmed) by the Bankruptcy Court. A condition of confirmation of the Plan by the Bankruptcy Court is that the Offering be completed, at least in the Minimum Offering Amount, in order that the Company can emerge from bankruptcy with working capital projected to be sufficient to sustain operations for at least one year.

Status of Required Plan Approvals

Before it was filed, the Company sought the support of its principle creditors for the Plan that was being proposed. In connection with this initiative:

- a super-majority of the Senior Secured Class of creditors, including Anpath Lending, signed the Plan Support Agreement; and
- a super-majority of the investors holding more than 50% of the Convertible Notes all signed the Plan Support Agreement.

As more fully explained in the Bankruptcy Petition Disclosure Statement, Management and the Board of Directors of the Company urged that the Plan be filed in the Bankruptcy Court on a consensual basis because, in the alternative:

- the Company would not have had access to the Interim Note and DIP Facility financing that has and continues to provide the working capital necessary to maintain operations while it completes the bankruptcy petition process; and
- the Company would have been forced into a liquidation pursuant to which Anpath Lending and the holders of the Interim Notes, who hold a lien on the Company's assets, would have most likely received 100% of any net liquation proceeds that would have resulted from such liquidation, the result of which would have been that:
  - the unsecured creditors who are owed approximately $100,000 would have received no consideration;
  - the investors who hold approximately $1.6 million in convertible notes would have received no consideration; and
  - the holders of the common stock in the Company would have been completely wiped out with no prospect for recovery

Post-Petition Outlook for the Company

Incorporated in the Plan is a Post-Petition Budget that indicates that, with its obligations eliminated and the Company enjoying a debt-free capitalization, if the Offering is completed for at least the Minimum Offering Amount, the Company should have the working capital needed to support operations that focus on those priorities needed to produce near-term revenue that we believe will allow the Company to sustain itself without the need for any further deficit funding requirements.

Primary Technology Platform

We have developed and have trade secret rights to what we believe to be a unique and proprietary Parachlorometaxylenol (more commonly known as PCMX) based chemical emulsion biocide technology platform. PCMX has been widely used as an antimicrobial in surgical hand and skin scrubs. Based on this technology, we have developed a portfolio of efficacious disinfectants/sanitizers/cleaners that achieve bio-decontamination without using toxic and corrosive chemicals. Our PCMX chemical emulsion biocides have the following characteristics:

- They kill a wide range of infectious microorganism, including MRSA;
- They minimize harmful effects to people (EnviroTru® /EnviroTru® 1453 meet Environmental Protection Agency requirements for Toxicity Category IV) and do not cause skin, eye, pulmonary, oral or dermal irritation;
- They are safe for animals (the EquineTru® formulation safely prevents and eliminates persistent skin and hoof conditions caused by micro-organisms); and
- They are non-corrosive (EnviroTru /EnviroTru 1453 are included in the Boeing Qualified Products List (QPL) and conform to AMS-1452A, 1453 & D6-7127 Aircraft Corrosion Specifications).

Product Categories

We believe that the concept of an easy-to-use and effective line of decontaminants that fits with a favorable environmental profile offers us a unique opportunity to differentiate our products in multiple infection prevention markets. It is our intention to use the unique characteristics of our chemical emulsion technology to build acceptance of our decontaminants as an alternative which is significantly different from other biocidal products that currently dominate the marketplace.

We are exploiting our technology platform to establish a broad product portfolio in the following categories:

- Surface Care products - disinfectants, sanitizers and cleaners (including wipes);
- GeoBiocides – biocides for use in the oil and gas industry.
- Animal Care products - skin and hoof care treatment and animal shampoo; and
- Personal Care products – antimicrobial hand soaps, hand sanitizers and facial scrubs (including wipes).

Current Products

As more fully explained in the information incorporated by reference herein, we are currently generating modest revenue from the following products:

Surface Care Products: We presently sell a number of different surface disinfectant liquids, sprays and wipes that are purchased primarily for use in industrial markets.

Animal Care Products: We currently have one product that is accepted by veterinary regulators which addresses skin and hoof disease in horses.

Future Products

As more fully explained in the information incorporated by reference herein, the real value-creation opportunity for the Company lies in the near-term prospects in two particular product areas (the “Near Term Product Opportunities”):

Hospital Grade Product

We are planning to reintroduce a hospital grade disinfectant product to replace one of our earlier products called EcoTru®. The reformulated disinfectant is expected to demonstrate that it will effectively kill numerous bacteria, fungi, and viruses, including MRSA, Hepatitis B and C, HIV, herpes and influenza. Likewise, in addition to being highly effective as a disinfectant, our reformulated hospital grade product is expected to occupy a unique position in the market place, combining this microbial effectiveness in a disinfectant product which will also have a favorable profile for health and environmental effects. This product is currently in the final EPA submission l process. The Company is working with a 3rd party EPA consultant group and an independent, EPA registered lab in the development of the EPA submission. It is anticipated that based on recent efficacy testing we will be able to bridge the majority of the claims from our previous product, EcoTru, thereby reducing testing cost and time. The EPA may require testing of one organism in each class to validate each class. It is anticipated that final federal EPA registration will occur prior to the end of 2010. A serious delay or failure to achieve EPA registration for the revised EcoTru would result in a delay in the primary product offering. The long-term success of our Surface Care product line is dependent upon registration of a broad-spectrum product.

Oil & Gas Industry

In response to requests from members of the oil and gas industry for a non-toxic but effective disinfectant to replace toxic biocides used in oil and gas well stimulation, we developed GeoTru™ Concentrated GeoBiocide designed to be used as a “down-hole” biocide in the oil and gas drilling industry. GeoTru is a surfactant-based chemistry for the control of microorganisms including bacteria, fungi, and algae, effective when used under aerobic or anaerobic conditions. It is safe to handle and transport, non-flammable, and with no explosion hazard. GeoTru has an extended shelf life and it is active over a wide pH range and is non-oxidizing and nonreactive with other down-hole chemistries. It has been designed to be used particularly in hydraulic fracturing.The Company has worked with two different industry participants in the vetting of GeoTru and the product is currently in the final process of EPA registration. We expect to have federal EPA registration for GeoTru early in the 4th quarter of 2010. Simultaneously, the Company, in concert with two industry partners, is finalizing a series of advanced toxicology and environment tests designed to further differentiate GeoTru from the current products on the market. Delay or failure to achieve EPA registration for GeoTru will seriously affect the Company’s ability to sustain itself in the short-run and would undoubtedly require the company to raise more capital.

The Company is going to concentrate its budget resources and manpower on completing the regulatory certification for these two products and, if approved, it will seek to consummate a manufacturing, marketing and licensing agreement in order to try and best gain commercial traction for the products more quickly than one could expect if Anpath were to try and build an in-house direct sales force and sell these products directly in their respective marketplaces.

The information incorporated herein speaks of many other products and product areas, the development of and support for which is not sustainable based on the Company’s current access to capital. As a result, most if not all these activities will be put on hold pending the results that the Company generates from its Near-Term Product Opportunities.

Therefore, while it is true that the Company’s core underlying Product Technology Platform could logically be used to exploit consumer-facing cleaning and personal care products, this is an area that would require more capital and product expertise than Anpath currently can command.

Results of Operations

Three Months Ended June 30, 2010 compared to Three Months Ended June 30, 2009

Revenues. Our revenues for the three months ended June 30, 2010 and 2009 were $90,668 and $141,400, respectively. This is a decrease of $50,732. This decrease is due in part to an international distributor failing to fulfill their contractual obligations to the Company. The international distributor failed to purchase approximately $88,000 in product during the recent quarter. Revenues in the three month ended June 30, 2010 were a result of an agreement with a nationwide janitorial franchise company and purchases made by franchises.

Revenues for the three months ended June 30, 2010 and 2009 were composed of the following:

Products	Three Months Ended June 30, 2010	2009
Electro-Static Sprayer	95.24%	13.59%
SurfaceTru® Cleaning & Deodorizing Wipes	-	.21%
EnviroTru® and EnviroTru 1453®	4.76%	85.60%
EquineTru®	-	0.60%

Cost of Sales. Cost of sales for the three months ended June 30, 2010 and 2009 were $85,077 and $105,503, respectively, a decrease of $20,426. As a percentage of revenues, for the three months ended June 30, 2010 and 2009, cost of sales represented 93.83% and 74.61% of revenues, respectively. Cost of sales for the three months ended June 30, 2009 includes an additional $22,354 in raw materials that the Company provided to our contract manufacture. This material was produced prior to our current contract manufacturing contract. Under our current contract our manufacturer is to provide all raw materials cost. The increase in cost of sales as a percentage of revenues is a result of 95.24% of our sales in the current quarter coming from the sale of oue electrostatic sprayer which has a lower margin of profit then our other products.

Operating Expenses. Total operating expenses for the three months ended June 30, 2010 and 2009 were $656,590 and $1,137,336, respectively, a decrease of $480,746 or 43%. Individual components of the change in operating expenses are as follows:

- Sales expense decrease of $8,240 or 13.05% for the three months ended June 30, 2010 and 2009
- Product development expense increase of $7,041 or 10.59% for the three months ended June 30, 2010 and 2009

- Corporate expense increase of $117,585 or 83.03% for the three months ended June 30, 2010 and 2009
- Finance and administrative expense decrease of $60,061 or 47.95% for the three months ended June 30, 2010 and 2009

- Consultant expense decrease of $116,000 or 100% for the three months ended June 30, 2010 and 2009
- Compensation cost for re-pricing warrants expense decrease of $265,383 or 100% for the three months ended June 30, 2010 and 2009

- Financing expense decrease of $155,688 or 43.31% for the three months ended June 30, 2010 and 2009

Sales. The decrease in sales expense for the three months ended June 30, 2010 compared to 2009 is attributed to an effort to reduce and control expenses by the department.

Product Developement. The increase in product development expenses for the three months ended June 30, 2010 compared to 2009 is attributed to an increase in research and product testing cost for our GeoTru and hospital grade products.

Corporate. The increase in corporate expense for the three months ended June 30, 2010 compared to 2009 is attributed to an increase in legal fees of $100,000 associated with our reorganization.

Finance and Administrative. The decrease in finance and administrative expenses for the three months ended June 30, 2010 compared to 2009 is attributed to a decrease in professional fees of $36,547. A decrease in expenses for options awarded of $7,057. Other decreases amounted to $16,457.

Consulting. Consultants are usually compensated through the issuance of restricted stock or the issuance of common stock warrants. Consulting cost decreased $116,000 for the three months ended June 30, 2010 as compared to the three months ended June 30, 2009. Restricted stock was issued in the three months ended June 30, 2010 and 2009 in the amounts of $-0- and $116,000.

Compensation Cost for Re-Pricing Warrants. Compensation Cost for re-pricing warrants decreased $265,383 for the three months ended June 30, 2010 as compared to the three months ended June 30, 2009. We did not re-price any warrants in the three months ended June 30, 2010.

Financing Expense. Financing cost decreased to $203,749 from $359,437 for the three months ended June 30, 2010 and 2009, a decrease of $155,688 or 43.31%.

Liquidity and Capital Resources

For the three months ended June 30, 2010, we used net cash of $503,183 in operating activities, compared with $488,022 of net cash used in operating activities for the three months ended June 30, 2009, in comparison to the same period in the prior year, this is an increase in net cash used in operating activities of $15,161 from the prior.

We had net cash provided by financing activities of $545,140 for the three months ended June 30, 2010 compared with $518,324 provided by financing activities for the three months ended June 30, 2009. Cash provided by financing activities for the three months ended June 30, 2009, includes $545,140 from the issuance of note payables. Cash provided by financing activities for the three months ended June 30, 2009 includes $591,834 from the issuance of note payables less $73,510 from the payment of notes payables.

At June 30, 2010 and March 31, 2010, we had cash and cash equivalents available in the amounts of $41,957 and $-0-, an increase of $41,957.

Operating Leases

The Company has formal operating leases for all of its office and laboratory space. The Company has also entered into a three year office lease agreement to begin October 1, 2009 for an office/warehouse combination in Mooresville, NC. Lease payments under the new office lease will be $2,695 per month for the first year and increases 3% for each subsequent year.

Rent expense relating to operating spaces leased was approximately $11,191 and $11,681 for the three months ended June 30, 2010 and 2009, respectively.

	Payments Due by Period				
Contractual Obligations	**Total**	**Less than 1 year**	**1-3 years**	**4-5 years**	**After 5 years**
Office Lease	$ 73,010	$ 33,150	$ 39,860	$ -	$ -
Total Contractual Cash Obligations	$ 73,010	$ 33,150	$ 39,860	$ -	$ -

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Management's discussion and analysis of financial condition and results of operations are based upon our consolidated financial statements. These statements have been prepared in accordance with generally accepted accounting principles in the United States of America. All inter-company balances and transactions have been eliminated in consolidation.

Use of estimates in preparation of financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, based on historical experience, and various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The following critical accounting policies rely upon assumptions, judgments and estimates and were used in the preparation of our consolidated financial statements:

Trade Secret

The recorded value of the Company’s trade secret relating to the formula/formulation of ESI’s products at the time acquired by the Company was based upon the valuation of an independent appraiser. In accordance with SFAS No. 142, the Company has determined that its trade secret has an indefinite life. Accordingly, it is not subject to amortization, but is subject to the Company’s annual assessment of prospective impairment. As of June 30, 2010 and March 31, 2010 no impairment of this trade secret was deemed necessary.

Impairment of Long Lived Assets

We assess potential impairment of our long lived assets, which include our property and equipment and our identifiable intangibles such as our trade secrets under the guidance of Statement of Financial Standards No. 144 *Accounting for the Impairment or Disposal of Long Lived Assets.* Once annually, or as events and circumstances indicate that an asset may be impaired, we assess potential impairment of our long lived assets. We determine impairment by measuring the undisclosed future cash flows generated by the assets, comparing the results to the assets' carrying value and adjusting the assets to the lower of the carrying value to fair value and charging currant operations for any measured impairment.

Revenue Recognition

Revenue is generally recognized and earned when all of the following criteria are satisfied: a) persuasive evidence of sales arrangements exists; b) delivery has occurred; c) the sales price is fixed or determinable, and d) collectibility is reasonably assured.

Persuasive evidence of an arrangement is demonstrated via a purchase order from our customers. Delivery occurs when title and all risks of ownership are transferred to the purchaser which generally occurs when the products are shipped to the customer. No right of return exists on sales of product except for defective or damaged products. The sales price to the customer is fixed upon acceptance of purchase order. To assure that collectibility is reasonably assured we perform ongoing credit evaluations of all of our customers.

Contingent Liability

In accordance with Statement of Financial Accounting Standards Interpretation No. 14, we may have certain contingent liabilities with respect to material existing or potential claims, lawsuits and other proceedings. We accrue liabilities when it is probable that future cost will be incurred and such cost can be measured.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a “smaller reporting company” as defined by Item 10 of Regulation S-K, we are not required to provide information required by this Item.

ITEM 4T. CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures.

In connection with the preparation of this Form 10-Q, an evaluation was carried out by the Company’s management, with the participation of the Company’s Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company’s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (Exchange Act)). Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures. Based on such evaluation, and in light of the previously identified material weakness in internal control over financial reporting, as of March 31, 2009, relating to the lack of appropriate accounting policies and related procedures described in the Company’s annual report on Form 10-K for the fiscal year ended March 31, 2010, the Company’s Chief Executive Officer and Chief Financial Officer concluded that, as of June 30, 2010, the Company’s disclosure controls and procedures were ineffective.

(b) Changes to Internal Control Over Financial Reporting.

There have been no changes in the Company’s internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended June 30, 2010, that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

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PART II. OTHER INFORMATION

Item 1A. Risk Factors

There have been no material changes to the Risk Factors described in Part I, Item 1A-Risk Factors in our annual report on Form 10-K for the fiscal year ended March 31, 2010.

Item 6. Exhibits

Exhibit 31.1	Certification of the CEO Pursuant to Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 31.2	Certificate of the CFO Pursuant to Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 32.1	Certification of the CEO and CFO Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Anpath Group, Inc.

August 16, 2010

By: /s/ J. Lloyd Breedlove
J. Lloyd Breedlove
President, Chief Executive Officer (Principal Executive Officer)

EXHIBIT INDEX

Exhibit 31.1	Certification of the CEO Pursuant to Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 31.2	Certificate of the CFO Pursuant to Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 32.1	Certification of the CEO and CFO Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 31.1

Rule 13a-14(a) Certification of the Principal Executive Officer

I, J. Lloyd Breedlove, Principal Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Anpath Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 16, 2010

By: /s/ J. Lloyd Breedlove
J. Lloyd Breedlove, President and C.E.O.
(Principal Executive Officer)

Exhibit 31.2

Rule 13a-14(a) Certification of the Principal Financial Officer

I, Stephen Hoelscher, Principal Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Anpath Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 16, 2010

By: /s/ Stephen Hoelscher
Stephen Hoelscher, Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned, the Chief Executive Officer and the Chief Financial Officer of Anpath Group, Inc. (the “Company”), each certify that, to his knowledge on the date of this certification:

1. The quarterly report of the Company for the period ended June 30, 2010 as filed with the Securities and Exchange Commission on this date (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ J. Lloyd Breedlove
J. Lloyd Breedlove
Chief Executive Officer
August 16, 2010

/s/ Stephen Hoelscher
Stephen Hoelscher
Chief Financial Officer
August 16, 2010