

SIXTEENTH
ANNUAL
REPORT

2004 - 2005

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ANJANI FINANCE LIMITED

ANNUAL REPORT 2004-2005

ANJANI FINANCE LIMITED

BOARD OF DIRECTORS

CHAMPALAL JANGID	: Managing Director
RAJ RATAN SINGHVI	: Director
TARUN PALADHI	: Director (from 11.07.05)
S. K. AGARWAL	: Director
AJIT BHAVSAR	: Director
CHOTTELAL PHATAK	: Director-in-Charge (from 01.04.05)

AUDITORS

O. P. Bhandari & Co.
Chartered Accountants
Ahmedabad

BANKERS

Gujarat Comm. Co.op. Bank Ltd.

REGD. OFFICE

27, Mahavir Jain Society,
Nr. Amber Cinema, Bapunagar,
Ahmedabad - 380 024

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ANJANI FINANCE LIMITED**NOTICE**

NOTICE IS HEREBY given that the 16th Annual General Meeting of the members of Anjani Finance Ltd. will be held at the Registered Office at 27, Mahaveer Jain Society, Bapu Nagar, Ahmedabad (Gujarat) on 30th day of September 2005 at 12:00 a.m. to transact the following business :-

ORDINARY BUSINESS

1. To receive consider and adopt the audited Balance Sheet as at 31-03- 2005, and the Profit and Loss account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Raj Ratan Singhvi who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint auditors and to fix their remuneration.

SPECIAL BUSINESS

4. To consider & pass with or without modification in the following Resolution as an Ordinary Resolution :

"RESOLVED THAT Shri Chottelal Phatak who was appointed as Director-in- Charge on 01.04.2005 and whose terms comes to on end at the ensuing Annual General Meeting of the Company and for his candidature the company has received notice U/s. 257 of the Companies Act, from a member alongwith necessary deposit be and he is hereby appointed as Director-in-Charge of the company.

"RESOLVED THAT Shri Tarun Paladhi who was appointed as additional Director on 11.07.2005 and whose term comes to on end at the ensuing Annual General Meeting of the Company and for his candidature the company has received notice U/s. 257 of the Companies Act, from a member alongwith necessary deposit be and he is hereby appointed as Director-in-Charge of the company.

5. To consider and if thought fit to pass the following resolution as a Special Resolution :

"RESOLVED THAT the equity shares of the Company be delisted from the Ahmedabad Stock Exchange, Ahmedabad subject to such approval, permission and sanction as may be necessary to comply with such condition and modification a may be prescribed for this purpose.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any Director or Officer(s) or consultant of the Company to give effect to the aforesaid resolution".

Registered Office :

27, Mahavir Jain Society
Bapu Nagar, Ahmedabad
Place : Ahmedabad
Date : 01.09.05

By Order of the Board

(Champalal Jangid)
Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. Proxies in order to be effective should be lodged with the Company at the registered Office of the company atleast 48 hours before the commencement of the meeting.
3. The Register of Members and Transfer Books of the Company shall remain closed from 26.09.2005 to 30.09.2005 (both days inclusive). During this period the transfer of Shares shall remain suspended.
4. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 7 (seven) days in advance, so as to enable the Company to kept the information ready.
5. As a measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.

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6. Members are requested to intimate any change of address to the Company's Registered Office or to their concerned depository
7. Members are requested to quote their Folio Number/ De-mat Account Number and DPID in all correspondence with Company.
8. The business listed at serial no. 5 relating to alteration in the object clause of the company required the consent of shareholders through postal ballot which have been posted to the shareholders separately.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956**ITEM NO. 4**

Shri Chottelal Phatak was appointed by the Board of Directors as Director- in-Charge on 01.04.2005 and as per section 260 of the companies act, his tenure comes to an end at the forthcoming Annual General Meeting. The Company has however received a notice Under Section 257 of the Companies Act, from a shareholder alongwith deposit of Rs. 500/- proposing the appointment of Shri Chottelal Phatak as a Director-in-Charge of the Company. In view of rich experience of Shri Chottelal Phatak, his appointment will be beneficial to the Company and therefore the proposed resolution is being moved for your approval.

Shri Tarun Paladhi was appointed by the Board of Director as Additional Director on 11.07.2005 and as per section 260 of the companies act, his tenure comes to an end at the forthcoming Annual General Meeting. The Company has however received a notice Under Section 257 of the Companies Act, from a shareholder alongwith deposit of Rs. 500/- proposing the appointment of Shri Tarun Paladhi as a Additional Director of the Company. In view of rich experience of Shri Tarun Paladhi, his appointment will be beneficial to the Company and therefore the proposed resolution is being moved for your approval.

Your Board recommends the passing of this special resolution in the interest of the Company.

None of the Directors is interested or concerned in the passing of the resolution.

ITEM NO. 5

Presently, the company's securities are listed on the following two stock exchange in India :

1. Ahmedabad Stock Exchange, Ahmedabad
2. The Stock Exchange, Mumbai.

Except Mumbai Stock Exchange the trading of the Company's shares at other stock exchanges is negligible. With the extensive networking of the Stock Exchange, Mumbai (BSE) the extension of the terminals to other cities as well, investors have access to online dealing in the Company's securities across the country.

The Company's equity shares are being traded only in dematerialized form. In view of the extremely low trading volumes the benefits accruing to the investors by keeping the shares of the company listed on stock exchange at Ahmedabad is not commensurate with costs incurred by the company for continued listing on this stock exchange.

The Securities and Exchanges Board of India (SEBI) has issued the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003. Under these Guidelines, Voluntarily Delisting of shares from one stock exchange have been permitted without obtaining buy-back to the shareholders provided the securities of the Company have been listed for a minimum period of three years on any stock exchange and a public announcement in prescribed manner shall be published in newspaper.

The members' approval is being sought by way of a special resolution for delisting of company's equity shares from Ahmedabad.

None of the Directors of the Company is interested in the aforesaid resolution.

Registered Office :

27, Mahavir Jain Society
Bapu Nagar, Ahmedabad
Place : Ahmedabad
Date : 01.09.05

By Order of the Board

(Champalal Jangid)
Managing Director

ANJANI FINANCE LIMITED**DIRECTORS' REPORT**

The Members

ANJANI FINANCE LTD.

Your Directors have pleasure in placing before you the Sixteenth Annual Report together with the Audited Accounts of the Company for the Year Ended as on 31st. March 2005.

FINANCIAL RESULTS:-

	2004-05	2003-04
Profit/(Loss) After Depreciation	(1,054,819)	308,429
Add : Provision for Deferred Assets	412,858	98,048
Net profit/ (Loss)	(541,961)	406,477
Brought Forward Profit/(Loss)	93,925	(312,552)
Profit/ (Loss) Carried to Balance Sheet	(548,036)	93,925

DIVIDEND

Company has not recommended dividend during the year in view of carried forward losses and inadequate profits.

FIXED DEPOSITS

Your Company has not accepted any deposits from the public during the year under review.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. Raj Ratan Singhvi retires by rotation at the forthcoming Annual General Meeting and being eligible offers for re-appointment.

During the current year Shri Chottelal Phatak was appointed as Director-in-Charge w.e.f. 01.04.2005 & Shri Tarun Paladhi w.e.f. 11.07.2005 additional Director of the Company.

DIRECTOR'S RESPONSIBILITIES STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors Responsibility statement, it is hereby confirmed :

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2005, applicable accounting standards had been followed along with proper explanation relating to material departures ;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the states of the affairs of the Company at the end of the financial year and of the profit or loss the Company for the year under review ;
- (iii) that the directors has 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) that the directors had prepared the account for the financial year ended on 31st March, 2005 on "going concern" basis.

AUDITORS' REPORT

The notes on the accounts referred to in the auditor's report are self explanatory and therefore do not call for any further comments

CORPORATE GOVERNANCE

In term of Clause 49 of the listing Agreement entered into with stock exchange. The Code of Corporate Governance alongwith the auditors certificate is enclosed herewith.

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

Section 642 read with clause (e) of sub-section (1) of section 217 of the Companies Act, 1956 relating to disclosure of the particulars of energy conservation, technology, absorption and foreign exchange earnings and outgo, pursuant to Companies (disclosure of particulars in the report of Board of Directors) rules 1988 are not applicable to the Company.

EMPLOYEES

The Board of Director withes to express its appreciation to all the employees of the company for their outstanding contribution to the operations of the company during the year, information as per Section 217 (2A) of the company Act 1956 Companies (particular of Employees) Rules 1975 as amended is Nil. Since there is no employees drawing Rs.2,00,000/- (Rupees Two Lakh Only) or more per month during the year or Rs.24,00,000/- to the Directors' Report as required Under Section 217 (2A) of the Companies Act, 1956 and the rule made thereunder.

LISTING

The Companys' Equity Share are listed on Ahmedabad and Mumbai Stock Exchange. Company is regular in paying listing fees as demanded by respective stock exchange.

AUDITORS

The Board proposes to re-appoint M/s. O. P. Bhandari & Co., Chartered Accountants, Ahmedabad as Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting. The Board recommends their appointment.

DEMATERIALISATION OF SECURITIES

Shares of the company were included in Compulsory list of trading in dematerialisation. Company has entered in to necessary agreements with both the Depositories i.e. NSDL (National Securities Depositors Limited) and CDSL (Central Depository Securities Limited). It is therefore advisable to trade in the securities of the Company in dematerialised form which is convenient and safe.

AUDIT COMMITTEE

As required under the provisions of the section 292 A of the companies (Amendment) Act 2000, the Audit committee Meeting were held on 30.04.2004, 31.07.2004, 30.10.2004 & 31.01.2005 during the year.

ACKNOWLEDGMENTS

Your Directors would like to place on record their deep sense of appreciation and thanks to all the Government Authorities and Financial Institutions, Banks, Employees, and Shareholders for their valuable assistance, support and co-operation and look forward to the same in the years to come.

By the Order of the Board

Place : Ahmedabad

Date : 01.09.05

(Champalal Jangid)

Managing Director