

**SEVENTEENTH
A N N U A L
R E P O R T**

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ANJANI FINANCE LIMITED

ANJANI FINANCE LIMITED

BOARD OF DIRECTORS

CHAMPALAL JANGID	: Managing Director
RAJ RATAN SINGHVI	: Director
TARUN PALADHI	: Director (Resign w.e.f. 31.07.06)
S. K. AGARWAL	: Director
AJIT BHAVSAR	: Director
CHOTTELAL PHATAK	: Director - in - Charge (Resign w.e.f. 31.07.06)

AUDITORS

O. P. Bhandari & Co.
Chartered Accountants
Ahmedabad

BANKERS

Uco Bank, Tilak Nagar, Branch Indore

REGD. OFFICE

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

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NOTICE

NOTICE IS HEREBY given that the 17th 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 2006 at 12:00 a.m. to transact the following business :-

ORDINARY BUSINESS

1. To receive consider and adopt the audited Balance Sheet as at 31-03-2006, 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. Ajit Bhavsar and Mr. Sanjay Kumar Agarwal who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint auditors and to fix their remuneration.

Registered Office
27, Mahavir Jain Society
Bapu Nagar, Ahmedabad

Place : Ahmedabad
Dated : 23.08.06

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 26.09.2006 to 30.09.2006 (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 keep 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.
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. 6 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.

ANNUAL REPORT 2005-2006**DIRECTOR'S REPORT**

The Members

ANJANI FINANCE LIMITED

Your Directors have pleasure in placing before you the Seventeenth Annual Report together with the Audited Accounts of the Company for the Year Ended as on 31st, March 2006.

FINANCIAL RESULTS

	2005-06	2004-05
Profit / (Loss) After Depreciation	5867618	(1054,819)
Add : Provision for Income tax written back	10185	----
Less : Provision for doubtful debt	5028229	----
Less : Transferred to Special Reserve Fund U/S 45 (IC)	169915	0
Profit after Income Tax	679915	(1054,819)
Add : Provision for Deferred Assets	----	----
Less : Provision for Deferred Liabilities	----	412858
Net Profit/ (Loss)	679915	(641,961)
Brought Forward Profit/(Loss)	(548,036)	93,925
Profit / (Loss) Carried to Balance Sheet	131623	(548,036)

DIVIDEND

Company has not recommended dividend during the year.

PUBLIC DEPOSITS

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

DIRECTORS

In accordance with the provision of the Companies Act, 1956 and the Company's Articles of Association, Mr. Ajit Bhavsar & Mr. Sanjay Kumar Agarwal who retires by rotation at the forthcoming Annual General Meeting and being eligible offer for re-appointment. Director Mr. Tarun Paladhi & Director Mr. Chottelal Pathak has resigned w.e.f. 31.07.06

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 year preparation of the annual accounts for the financial year ended 31st March, 2006, 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 judgements 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 31st March, 2006 on "going concern" basis.

AUDITOR'S 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 Directors wishes 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 Company's Equity Share are listed on Mumbai Stock Exchange. Company is regular in paying listing fees on 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 30.04.05, 31.07.05, 30.10.05 and 31.01.06 during the year.

ACKNOWLEDGEMENTS

Your Directors would like to place on record their deep sense of appreciation and thanks to all the Government Authorities and Financial Institutions, Bank, 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 : 23.08.06

(Champalal Jangid)
Managing Director

ANNUAL REPORT 2005-2006**CORPORATE GOVERNANCE REPORT**

In line with the requirement for providing a "Report on Corporate Governance" As per clause 49 of the revised Listing Agreement of the Stock Exchange applicable for the financial Year 2005-06, but not beyond 31st March 2006, given below is a report on the Company's corporate Governance norms.

1. Company's philosophy on Code of Governance

The company has taken appropriate steps to implement the Provisions of Corporate Governance to the extent possible, However the Company is trying to strengthen the same keeping in view its size and its nature of business.

2. Board of Directors

The company has a reasonable size Board. As on 31st March, 2006, the Board comprised of Six Directors. The composition of the Board is as under :-

Sr. No.	Name of Director	Category of Director	No. of Board Meet. held	No. of Board Meet. Attend.	No. of Other Dir. Ship(*)	Committee Membership	Committee Chair. ships	Last AGM Att.
1.	Raj Ratan Singhi	Non-Exe. Director	12	7	Nil	2	--	Yes
2.	Champalal Jangid	Executive Director	12	12	Nil	3	2	Yes
3.	Chhotelal Pathak (Resigned 10-08-06)	Executive Director	12	10	Nil	0	--	No
4.	Tarun Paladhi (Resigned 10-08-06)	Non-Exe. Director	12	4	Nil	0	--	No
5.	Ajit Bhavsar	Non-Exe. Director	12	5	Nil	3	--	Yes
6.	Sanjay K Agarwal	Executive Director	12	8	Nil	4	2	Yes

3. Board Meeting and Attendance

The Corporate Governance policy requires the Board to meet atleast 4 times in a year with a maximum gap of 4 months between any two meetings. The details of Board Meetings held during the year are as under :-

Sr. No.	Date of Board Meeting	Total No. of Director	Director Attended
1.	01/04/05	4	3
2.	25/04/05	5	3
3.	30/04/05	5	4
4.	26/05/05	5	3
5.	11/07/05	5	3
6.	30/07/05	6	5
7.	31/08/05	6	4
8.	25/09/05	6	3
9.	15/10/05	6	3
10.	31/10/05	6	5
11.	31/01/06	6	5
12.	31/03/06	6	5

4. Audit Committee

The matters provided in the clause 49 of listing agreement the committee reviews the observation of auditors and other related matters and also reviews the accounting policies followed by the company. The minutes of the meeting is placed before the Board and confirmed. During the year under review, four Audit Committee meetings were held and the attendance of the meetings are as under :-

ANJANI FINANCE LIMITED**Name of Directors :**

Mr. Ajit Bhavsar
Mr. Raj Ratan Singhvi
Mr. Champalal Jangid

Meetings Attended :

4
4
4

5. Remuneration Committee

Details of Remuneration paid to the Director during the Financial year Ended 31st March 2006.

Sr. No.	Name of the Director	Salary	Perquisites and other benefits	Performance Bonus/Commission	Sitting Fee	Total
1.	Champala Jangid (for 2005-2006)	78662	----	6000	Nil	84662
2.	Chottelal Pathak (for 2005-2006)	29755	----	3501	Nil	33256

6. Details of last three Annual General Meetings.

Year	Location	Date	Time
2003	27, Mahavir Jain Soc. Bapu Nagar, Ahmedabad	22/09/03	11.00 AM.
2004	27, Mahavir Jain Soc. Bapu Nagar, Ahmedabad	30/09/04	12.00 AM.
2005	27, Mahavir Jain Soc. Bapu Nagar, Ahmedabad	30/09/05	12.00 AM.

7. Disclosures

- There were no incidents of any non-compliance penalties/strictures imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.
- The Company has disclosed related party transactions in the notes forming part of accounts. Except this there is no materially significant related party transactions which may have potential conflict with the interests of the company at large. Company has given Certificate to Auditors regarding all related party transactions.

8. Shareholders Information**i. (a) Annual General Meeting Book Closure**

Date : 30.09.2006

Time : 12.00 AM.

Venue : 27, Mahavir Jain Society, Bapu Nagar, Ahmedabad.

(b) Book Closure Date : 26.09.2006 to 30.09.2006 (Both the days inclusive)

ii. Registrars and Share Transfer Agent (For Physical & Electronics both)

PINNACLE SHARE REGISTRY PVT. LTD.

Near Asoka Mills Ltd. Naroda Road, Ahmedabad - 380 025

iii. Means of Communications

The Company has published quarterly results, the half yearly and annual results are published on 30.04.05, 31.07.05, 30.10.05 & 31.01.06 respectively in Western Times English and Western Times Gujarati at Ahmedabad. The relevant copies have been sent to the Stock Exchange at Mumbai.

iv. Share Transfer Committee

The Share transfer committee continues to consider and approve share transfer in the physical or Demat form.