

**TWENTYTHIRD
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
AJIT BHAVSAR	: Director
NAVIN AGARWAL	: Director (Up to 01.11.2011)
CHHOTELAL PATHAK	: Director (From 01.11.2011)

AUDITORS

O. P. Bhandari & Co.
Chartered Accountants
Ahmedabad

BANKERS

UCO Bank, Tilak Nagar, Branch Indore

REGD. OFFICE

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

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
303, 3rd Floor, Shopper's Plaza – 5,
Near Govt. Society, Opp – Municipal Market,
C.G. Road, Navrangpura, Ahmedabad – 380009
Ph. 26465179

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NOTICE

NOTICE IS HEREBY given that the 23rd Annual General Meeting of the members of Anjani Finance Ltd. will be held at the Registered Office at 27, Mahavir Jain Society, Bapu Nagar, Ahmedabad (Gujarat) on 29th day of September, 2012 at 03:00 p.m. to transact the following business :-

ORDINARY BUSINESS

1. To receive and adopt the Directors' Report, the Audited Statement of Profit and Loss and the Cash Flow statement for the year ended 31st March, 2012 and the Balance Sheet as that date.
2. To appoint a director Mr. Ajit Bhavsar who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS**ORDINARY RESOLUTION:**

4. To consider and if thought fit, to pass, with or without modifications, the following resolutions as an Ordinary Resolution

"RESOLVED THAT Mr. Chhotelal Pathak who was appointed as an Additional Director ,w.e.f. 01.11.2011, of the Company pursuant to Sec. 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice under section 257 of the Companies Act, 1956, in writing, proposing his candidature for the office of director, be and is hereby appointed as a director of the Company subject to retirement by rotation under the Articles of Association of the Company."

Registered Office :
27, Mahavir Jain Society
Bapu Nagar, Ahmedabad
Place : Ahmedabad
Date : 13th August, 2012

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. The instrument appointing a Proxy on the Power of Attorney, if any, under which it is signed should be deposited at the Registered Office of the Company not less than 48 hours before the time of holding aforesaid at meeting.
2. The Register of Members and Transfer Books of the Company shall remain closed from 22.09.2012 to 29.09.2012 (both days inclusive). During this period the transfer of Shares shall remain suspended.
3. 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.
4. 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.
5. Members are requested to intimate any change of address to the Company's Registered Office or to their concerned depository.
6. Members are requested to quote their Folio Number/ De-Mat Account Number and DPID in all correspondence with Company.

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7. As per the requirement of clause 49 of the listing agreement on Corporate Governance for appointment of the Directors./ re-appointment of retiring Directors, a statement containing details of the concerned Directors is given below:

Name of Director	Mr. Ajit Bhavsar
Date of Birth	14/12/1956
Date of Appointment	02/02/2002
Expertise in specific Functional Areas	Financials and Negotiations
Qualification	Graduate
List of outside partnership held	N.A.
Chairman/member of the committee of the Board of Directors of other Company	N.A.
Chairman/member of the committee of the Board of Directors of other Companies in which he is a Director.	N.A.
Shareholding in the company.	Nil

EXPLANATORY STATEMENT PURSUANT TO SEC. 173(2) OF THE COMPANIES ACT,1956

ITEM NO: 4

The Board has inducted Mr. Chhotelal Pathak as an additional director with effect from 01.11.2011 according to provisions of Section 260 of the Companies Act, 1956, and he holds office till the conclusion of this Annual General Meeting. As required by section 257 of the Act, a notice has been received from a member signifying his intention to propose his appointment as a Director along with a deposit of rupees five hundred. The Board recommends his appointment. None of the directors, except Mr. Chhotelal Pathak, is interested in above resolution:

The Details as required under clause 49 (IV) (G) is as under:

Name of Director	Mr. Chhotelal Pathak
Date of Birth	01.07.1965
Date of Appointment	01.11.2011
Expertise in specific functional areas	Finance
Qualifications	Graduate
List of outside Directorship held	Nil
Chairman/member of the committee of the Board of Directors of the Company*	Nil
Chairman/member of the committee of the Board of Directors of other Companies in which he is a Director*	Nil
Shareholding in the company	Nil

* Only Audit Committee & Shareholders/Investors Grievance Committee has been considered.

ANJANI FINANCE LIMITED

DIRECTORS' REPORT

Your Directors have pleasure in placing before you the 23rd Annual Report together with the Audited Accounts of the Company for the Year ended as on 31st March, 2012.

FINANCIAL RESULTS :-

	As on 31.03.2012	(In ₹) As on 31.03.2011
Income from operations	70,29,868	76,19,867
Profit / (Loss) before taxes	24,09,361	25,60,236
Less: Provision for Income Tax	12,08,791	14,26,057
Add: Deferred Tax Assets / Liabilities	4,46,509	6,25,301
Profit/(Loss) after taxes	16,47,079	17,59,480
Less : Transfer to Statutory Reserve	3,29,416	3,51,896
Profit/(Loss) brought forward from Previous year	42,38,399	28,30,815
Profit/(Loss) carried to Balance Sheet	55,56,062	42,38,399

DIVIDEND

To conserve the resources and to maintain liquidity, the Board has not recommended declaration of any dividend for the year under review.

DIRECTORS

During the year Mr. Navin Agarwal step down from directorship w.e.f. 01.11.2011 and Mr. Chhotelel Pathak appointed as Director except this there is no change in the constitution of Board of Directors of the Company.

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

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:

- that in the preparation of the annual accounts for the financial year ended 31st March, 2012 applicable accounting standards had been followed along with proper explanation relating to material departures ;
- 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 and loss the Company for the year under review ;
- 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 ;
- that the directors had prepared the account for the financial year ended on 31st March, 2012 on "going concern" basis.

PUBLIC DEPOSITS

During the year under review, company has not accepted any deposits under the Provision of Sections 58A of the Companies Act, 1956

INSURANCE

All the existing Properties of the Company have been adequately insured.

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LISTING AGREEMENT

The Company's Equity Shares are listed on Bombay Stock Exchange and Listing fees for the year 2012-13 have been paid. Adequate care is being taken to comply with almost all the norms and guidelines as per the applicable provisions of the Listing Agreement with the Company.

The Share of the Company's Equity Shares is under 'Compulsory Demat'. The ISIN allotted to the Company is INE283D01018. As required by the SEBI's Circular, the company has appointed M/s. Link Intime India Pvt. Ltd. as its Registrar and Share Transfer Agent to undertake transfer of physical share certificates besides action as Electronic Registrar.

CORPORATE GOVERNANCE

The Company has implemented the adequate procedure and adopted practices in conformity with code of Corporate Governance as enunciated in Clause 49 of the Listing agreement with the Stock Exchange.

The Management Discussion and Analysis and Corporate Governance Report are made part of the Annual Report.

A Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance is attached and forming part of the Directors' Report.

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 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. Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees), Rules, 1975 and Companies (Particulars of Employees) Amendment Rules, 2011 is not applicable to your Company as none of the employee was in receipt of remuneration of more than ₹5,00,000/-p.m. or ₹60,00,000/- p.a. during the period under review.

AUDITOR'S REPORT

The Auditors report for the year ended on 31st March, 2012 and the notes forming part of accounts referred to in the auditors report are self explanatory and gives complete information, therefore do not call for any further comments.

STATUTORY AUDITORS

M/s. O.P.Bhandari & Co., Chartered Accountants, retires at the forthcoming Annual General Meeting and is eligible for re-appointment. The Company has received a certificate from them that their appointment if approved by the shareholders would be within the ceiling prescribed under section 224(1B) of the Companies Act, 1956. The members are requested to appoint auditors to hold office until the conclusion of the next Annual General Meeting.

MATERIAL CHANGES

No material changes have taken place since the closure of the financial accounts up to the date of the report, which may substantially affect the financial performance of the statement of the company.

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 Share holders for their valuable assistance, support and co-operation and look forward to the same in the years to come.

For and on behalf of the Board

Place : Ahmedabad
Date : 13th August, 2012

(CHAMPALAL JANGID)
MANAGING DIRECTOR

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

THE SCENARIO:

The Company is mainly in the finance business and is running a wind energy generation plant as well (wind mill). There is stiff competition amongst major NBFC companies as of today, but the history & background of your company has helped in retaining old customers and securing new ones. Despite the adverse market conditions, the company has managed to maintain its profitability, which is due to timely adoption of prudent business strategies, measures taken to reduce cost of funds and cost of operations, improved fund management and effective steps taken to maintain the level of the company. Your company has also strengthened its financial position by simultaneously operating a wind mill in Rajasthan along with its finance business.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company has two primary segments for revenue generation - finance & wind power generation.

OPPORTUNITIES, RISKS, & CONCERNS:

According to the management, the company has been financing reliable & loyal clients who have good potential to generate returns. And with respect to the windmill unit, the company is supplying the power generated to Rajasthan Power Procurement Corporation (RPPC), which is a Government corporation, & has a lower risk of any default. The generated power is supplied under a signed agreement, to counter any risk of default.

Further, there is a general concern regarding the interest rate fluctuations, fiscal & monetary policies, which might affect the profitability of the company. However your company remains upbeat about the India economic growth, especially the finance sector. The company will anticipate & counter the economic fluctuations to the best of its capacity.

The company in such a business always faces the risk of default or non-payment. The company so far has managed to keep its NPA at zero, and will work to keep it that way. Your company will continue to adopt strategies to register significant increase in business volumes.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has a proper independent and adequate system of internal controls to ensure that all the assets are protected against loss from unauthorized use or unauthorized disposal, and such transactions are properly authorized, recorded and reported correctly. The internal controls systems are designed in such a way to ensure that financial and other records are reliable for reporting financial statements and other data and for safeguarding assets.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

The company maintained cordial industrial relations during the year.

CAUTIONARY STATEMENT:

The statements made and figures given in various sections of "Management Discussion and Analysis" are keeping in mind the Company's objectives, estimates and expectation. The actual results may differ from those expected depending upon the economic conditions, change in Govt. Regulations, and amendments in tax laws and other internal and external factors.

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CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

In order to ensure sustainable returns to all shareholders of the business, it is imperative, especially for large organizations, to follow certain policies, procedures and processes, which together constitute a "Code of Corporate Governance".

Some of these measures included:

- Composition of the Board of Directors.
- Constitute of various Board committees for oversight and guidance concerning key decisions and soundness of decision making processes connected with functioning of the Company.
- Timely dissemination of information to shareholders.
- Code of Conduct.

2. BOARD OF DIRECTORS

COMPOSITION OF BOARD OF DIRECTORS

The company has a reasonable size of Board. As on 31st March, 2012, the Board comprised of four Directors. The composition of the Board is as under:-

Sr. No.	Name of Director	Category of Director	No. of Board Meetings Held	No. of Board Meetings attended	No. of Other Directorships	Committee Memberships in other Company	Committee Chairmanships in other Company	Last AGM attended
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
01	Raj Ratan Singhvi	Non-executive Director	10	7	1	2	—	Yes
02	Champalal Jangid	Executive Director	10	10	—	—	—	Yes
03	Ajit Bhavsar	Non-executive Director	10	10	—	—	—	Yes
04	Navin Agarwal	Executive Director	10	4	—	—	—	No
05	Chhotelal Pathak	Executive Director	10	2	—	—	—	No

BOARD MEETINGS AND ATTENDANCE

The Corporate Governance policy requires the Board to meet at least 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:-

No. (1)	Date of Board Meeting (2)	Total No. of Director (3)	Director Attended (4)
01	04.04.11	4	3
02	30.04.11	4	4
03	30.07.11	4	2
04	18.08.11	4	4
05	05.10.11	4	3
06	15.10.11	4	3
07	01.11.11	4	3
08	08.11.11	4	3
09	31.01.12	4	4
10	10.05.12	4	4

3. COMMITTEES OF BOARD

(A) AUDIT COMMITTEE

Terms of Reference

- Review the Company's financial statements, before submission to, and approval by the Board;
- Review the Company's procedures for detecting fraud and whistle blowing and ensure that arrangements are in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control or other matters.
- Review managements and the internal auditors report on the effectiveness of the systems for internal financial control, financial reporting and risk management.
- Monitor the integrity of the Company's internal financial controls;
- Assess the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non financial risks;
- Review the internal audit program and ensure that the internal audit function has adequately resources at its disposal and has appropriate standing within the Company;
- Receive a report on the results of the internal auditors work on a periodic basis;
- Review and monitor management's responsiveness to the internal auditors finding's and recommendations; and
- Monitor and assess the role and effectiveness of the internal audit function in the overall context of the Company's risk management system.

Composition and Attendance of Audit Committee

The matters provided in the clause 49 of the 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 is as under:-

Name of Director	Meetings Held	Meeting Attended
Mr. Ajit Bhavsar	4	4
Mr. Raj Ratan Singhvi	4	3
Mr. Champalal Jangid	4	4

(B) SHARE HOLDERS & INVESTOR GRIEVANCE COMMITTEE AND COMPOSITION

No Share Holders and Investor Grievance Committee have been formed.

Share Transfer Committee would deal with approval of issue of duplicate certificates and review all matters connected with the security transfer and redressal of shareholder and investor grievance like transfer of shares, non-receipt of balance sheet etc. No shareholders or investor grievance is pending for a period exceeding one month against the Company.

The Share Transfer Committee continues to consider and approve share transfer in the physical or Demat Form.

The Board has designated Mr. Champalal Jangid as the Compliance Officer.

DETAILS OF SHARE HOLDERS' COMPLAINT RECEIVED

- 1) No. of Shareholders' Complaints Received : Nil
- 2) No. of Complaints Resolved : Nil
- 3) No. of Pending Complaints as at 31.03.2012 : Nil

(C) REMUNERATION COMMITTEE

No remuneration committee has been constituted. However remuneration and allowances paid to Mr. Champalal Jangid, Managing Director of the Company is ₹146,177/-.

4. DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS

Year	Location	Date	Time
2009	27, Mahavir Jain Society, Bapu Nagar, Ahmedabad	29/09/09	03:00 PM.
2010	27, Mahavir Jain Society, Bapu Nagar, Ahmedabad	29/09/10	03:00 PM.
2011	27, Mahavir Jain Society, Bapu Nagar, Ahmedabad	30/09/11	03:00 PM.