

**T W E N T Y S I X T H
A N N U A L
R E P O R T**

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ANJANI FINANCE LIMITED

ANNUAL REPORT 2014-2015

ANJANI FINANCE LIMITED

CIN L65910MP1989PLC032799

BOARD OF DIRECTORS

Satish Prasad Dhangar: Managing Director

Chhotelal Pathak : Director (Independent Director)

Kalpana Jain : Woman Director

Sanjaykumar Agarwal : Director (Independent Director)

REGD. OFFICE

144, Bajrang Nagar,
Behind Pashupati Nath Mandir,
M.R. 9 Road, Indore-452011,
Madhya Pradesh, India
Email: anjanifin@rediffmail.com

BANKERS OF THE COMPANY

UCO Bank, Tilak Nagar, Branch Indore

AUDITORS

O. P. Bhandari & Co.

Chartered Accountants
30, Omkar House, C.G. Road,
Navrangpura, Ahmedabad-380 009

SECRETARIAL AUDITOR

Kamlesh M Shah & Co.

Practicing Company Secretary
801-A, Mahalay Complex,
Navrangpura, Ahmedabad- 380 009

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
Unti No. 303, 3rd Floor,
Shoppers Plaza V, Opp. Municipal Market,
Behind Shoppers Plaza II, Off C.G. Road,
Ahmedabad-380009

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NOTICE

NOTICE is hereby given that 26th Annual General Meeting of the Members of **ANJANI FINANCE LIMITED** will be held on Wednesday, 30th September, 2015 at 03.00 P.M. at 144, Bajrang Nagar, Behind Pashupati Nath Mandir, M.R. 9 Road, Indore-452011, Madhya Pradesh, India to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015, Statement of Profit & Loss for year ended on that date and the Reports of Board of Directors and the Auditors thereon.
2. To appoint a director, Ms. Kalpana Jain (DIN02665393), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s Mahendra Badjatya & Co., Chartered Accountants as the Statutory Auditors of the Company.

"Resolved that pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), M/s. Mahendra Badjatya & Co., Chartered Accountants (Firm Registration No. 001457C), be and are hereby appointed as the Statutory Auditors of the Company (in place of M/s. O.P. Bhandari & Co., Chartered Accountants (Firm Registration No. 112633W), Statutory Auditors of the Company retiring at the conclusion of this Annual General Meeting) to hold office from the conclusion of 26th Annual General Meeting until the conclusion of 31st Annual General Meeting subject to annual ratification by the shareholders at every Annual General Meeting and at such remuneration as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee."

BY Order of the Board of Directors

Place : Indore.
Date : 30.07.2015

Satish Prasad Dhangar
Managing Director
(DIN: 06594368)

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her self and proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
The proxies in order to be effective must be received at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
2. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23rd September, 2015 to Wednesday, 30th September, 2015 (both days inclusive).
4. Members holding shares in demat form are requested to contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandates, etc. Members holding shares in physical form are requested to intimate such changes to Registrar and Transfer Agents of the Company.
5. Pursuant to Clause 49 of the Listing Agreement, details of directors seeking appointment/reappointment at the Meeting are given in detail, is annexed hereto.
6. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communications including Annual Report, Circulars, etc. from the Company electronically.
7. Members/Proxies should fill Attendance Slip for attending the meeting.
8. Members seeking any information or clarification on Accounts are requested to send written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries received only at the meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Share registrars and Transfer Agents.

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10. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2015 is uploaded on the Company's website www.anjanifin.com

Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.

11. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The voting period begins on 27.09.2015 at 9 a.m. and ends on 29.09.2015 at 5 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of (record date) of 23.09.2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case of members receiving e-mail:

- i) Log on to the e-voting website www.evotingindia.com
- ii) Click on "Shareholders" tab.
- iii) Now, select the "COMPANY NAME" i.e. ANJANI FINANCE LIMITED from the drop down menu and click on "SUBMIT"
- iv) Now Enter your User ID:
 - a. For CDSL : 16 digits beneficiary ID,
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department(Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/DepositoryParticipant are requested to use the first two letters of their name and the last8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0'sbefore the number after the first two characters of the name in CAPITAL letters.E.g. If your name is Ramesh Kumar with folio number 100 then enterRA00000100 in the PAN Field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the companyrecords for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in thecompany records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the detailsare not recorded with the depository or company please enter the number ofshares held by you as on the cut-off date in the Dividend Bank details field.

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily

enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for the relevant Company, i.e. The ANJANI FINANCE LIMITED, on which you choose to vote.
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Note for Non-Individual Shareholders and Custodians
 - Non-individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) To sl. no. (xvii) Above to cast vote.

GENERAL INSTRUCTIONS FOR VOTING:

- a. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the company as on 23.09.2015.
- b. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- c. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- d. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
- e. The Scrutinizer, after scrutinising the votes cast at the meeting through poll and through e-voting will, not later than three days of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the BSE's website www.bseindia.com and on the website of www.cdslindia.com. The results of the voting on the Resolutions at the Meeting will be announced by the Chairman or any other person authorized by him within three days of the AGM.
- f. The results of the voting on the Resolutions at the Meeting will be announced by the Chairman or any other person authorized by him within three days of the AGM.

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DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN THE 26TH ANNUAL GENERAL MEETING OF THE COMPANY PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

Name of Director	KALPANA JAIN DIN:02665393
Date of Birth	16.07.1967
Date of Appointment	02.07.2014
Relationship with other Directors Inter se	None
Profile & Expertise in Specific functional Areas	General Administration
Qualification	Graduate
No. of Equity Shares held in the Company	-
List of other Companies in which Directorships are held	1. Chamelidevi Flour Mills Pvt Ltd. (Resigned on 30/07/2014) 2. AMC Shipping Pvt. Ltd. (Resigned on 28/04/2014)
List of committees of Board of Directors (across all other Companies) in which Chairmanship/Membership is held	-

BY Order of the Board of Directors

Place : Indore.
Date : 30.07.2015

Satish Prasad Dhangar
Managing Director
(DIN: 06594368)

DIRECTORS' REPORT

Dear Members,

Your directors present 26th Annual Report on the operations and performance together with the Audited Financial Statements for the year ended on 31st March 2015.

FINANCIAL HIGHLIGHTS

	In ₹	
Particulars	Current Year 31.03.15	Previous Year 31.03.14
Total Income from operations	10,679,158	8,470,813
Profit / (Loss) before taxes	3,442,020	2,194,304
Less: Provision for Income Tax	-	(216,900)
Add: Deferred Tax Assets	68,476	211,437
Profit/(Loss) after taxes	3,510,496	2,622,641
Less : Transfer to Statutory Reserve	702,099	524,528
Profit/(Loss) brought forward from Previous year	8,546,413	6,448,300
Profit/(Loss) carried to Balance Sheet	11,338,955	8,546,413

COMPANY PERFORMANCE

During the year under review net turnover of the Company has been increased from ₹ 8,470,813 to ₹ 10,679,158 as compared to previous year's turnover. During the year company was able to increase its net profit as compared to previous year's net profit from ₹ 2,622,641 to 3,510,496 in the corresponding year.

DIVIDEND

No Dividend was declared for the current financial year due to conservation of Profits for the financial year 2014-15.

BUSINESS ACTIVITY

The Company is a Non Banking Finance Company. The Company has received a Certificate of Registration from the Reserve Bank of India ('RBI') on January 1, 2002 to commence / carry on the business of Non-Banking Financial Institution without accepting Public Deposits.

Management Discussion and Analysis (MDA)

MDA, for the year under review, as stipulated under clause 49 of the Listing Agreement, is presented in a separate section forming part of this Annual Report.

RELATED PARTIES TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large.

Other details for inter corporate financial transactions or remuneration and other benefits paid to directors, their relatives, key managerial personnel etc. are given in the notes to the accounts vide note no. 22 as per requirements of AS 18. The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 in Form AOC-2 is herewith annexed as Annexure -1 to this report.

DIRECTORS

Mrs. Kalpana Jain (DIN02665393) will retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. The Board recommends his reappointment.

Every Independent Director, at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under the Companies Act, 2013.

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BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. Performance evaluation has been carried out as per the Nomination and remuneration policy.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) of the Act, your Directors state that:

- a) in the preparation of the financial statements for the financial year ended 31st March 2015, as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) such accounting policies have been selected and applied them consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit of the Company for the year ended on that date;
- c) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities;
- d) the annual financial statements are prepared on a going concern basis; and
- e) proper internal financial controls are in place and that such internal financial controls are adequate and were operating effectively.
- f) proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

The Board of Directors supports to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Report on corporate governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Clause 49 is attached to the Report on corporate governance.

STATUTORY AUDITORS

The shareholders in their meeting held on 25th September, 2014 approved the appointment of M/s. O.P. Bhandari & Co, Chartered Accountants, (Firm Registration No. 112633W), Ahmedabad, as Statutory Auditor of the Company to hold office till the conclusion of the 28th Annual General Meeting subject to ratification of shareholders in every Annual General Meeting. However, M/s. O.P. Bhandari & Co., have given a letter of their unwillingness to continue as statutory auditors of the company due to their personal pre occupation. The Board of Directors had approached M/s. Mahendra Badjatya & Co., Chartered Accountants, of Indore to act as statutory Auditors of the Company who have agreed to the proposal and have given their consent. Accordingly, a resolution seeking appointment of M/s. Mahendra Badjatya & Co., Chartered Accountants (Firm Registration No. 001457C), as the Statutory Auditors of the Company from the conclusion of 26th Annual General Meeting until the conclusion of 31st Annual General Meeting is included at item No.3 of the Notice convening the Annual General Meeting.

INTERNAL AUDITORS

In order to make proper compliance with the provisions of Corporate Governance the company has established in house internal Audit Department which is functioning under the close supervision and direction of the Audit Committee and also in process of appointing the internal Auditor M/s. SAP Jain and Associates, Indore, a firm of Chartered Accountant from time to time.

SECRETARIAL AUDITOR

The Company has appointed M/s. KAMLESH SHAH & SHAH CO. as the secretarial auditor for the financial year 2014-15. They have given their report in the prescribed form MR-3 which is annexed to this report as an "Annexure – 2."

RISK MANAGEMENT

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established vigil mechanism and framed whistle blower policy for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

Extract of Annual Report

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure 3" to this report.

PARTICULARS OF THE EMPLOYEES

Particulars of the employees as required under provisions of Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, are attached with this report -"Annexure – 4". There was no employee who was in receipt of remuneration in excess of ₹.500000 per month during the year or ₹ 60 Lacs per annum in the aggregate if employed part of the year.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

MATERIAL CHANGES / INFORMATION

No material changes have taken place after the closure of the financial year up to the date of this report which may have substantial effect on the business and financial of the Company.

No significant and material orders have been passed by any of the regulators or courts or tribunals impacting the going concern status and companies operations in future.

GENERAL DISCLOSURE

Your directors state that the Company has made disclosures in this report for the items prescribed in section 134(3) of the Act and Rule 8 of the Companies (Accounts) Rules, 2014 to the extent the transactions took place on those items during the year.

APPRECIATION

Your directors take this opportunity to express their sincere appreciation to the shareholders, customers, bankers, suppliers, employees and other business associates for the excellent support and co-operation extended by them.

BY Order of the Board of Directors

Place : Indore
Date : 30.05.2015

Satish Prasad Dhangar
Managing Director
(DIN: 06594368)

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Annexure –1 to the Directors' Report Form AOC-2

Particulars of contracts/arrangements made with related parties (Pursuant to clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014)

The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2015 are as follows:

Name of the related party	Nature of relationship	Duration of contracts	Silent terms	Amount(₹)
Loans given Chamelidevi Flour Mills Pvt. Ltd.	Associates	Ongoing	N.A	4,900,000

BY Order of the Board of Directors

Satish Prasad Dhangar
Managing Director
(DIN: 06594368)