

**SIXTEENTH
ANNUAL REPORT
AND
ACCOUNTS**

2005-06



SANGHI CORPORATE SERVICE LTD
12 Balmoral Apts, Ground Floor , Amritvan, Yashodham Goregaon (E) Mumbai - 400063

SANGHI CORPORATE SERVICE LTD

BOARD OF DIRECTORS

Shri A.K.Sanghi
Smt. Poonam Sanghi
Shri M.K.Saboo
Shri K. Udaykumar

AUDITORS

Gupta Saharia & Co.,
Chartered Accountants
Mumbai

REGISTERED OFFICE:

12 Balmoral Apts, Ground Floor ,
Amritvan, Yashodham,
Goregaon (E)
Mumbai :- 400063



SANGHI CORPORATE SERVICE LTD

NOTICE OF MEETING

NOTICE is hereby given that Sixteenth Annual General Meeting of the Members of **SANGHI CORPORATE SERVICES LTD** will be held at 12 Balmoral Apts, Ground Floor, Amritvan, Yashodham Goregaon (E) Mumabi .- 400063, on **Saturday, 2nd day of September 2006** at 4.00 pm to transact the following business.

ORDINARY BUSINESS

- 1 To receive, consider and adopt the Audited Balance Sheet and the Profit and Loss Account for the year ended 31st March 2006 together with the Report of the Directors and Auditors thereon.
- 2 To appoint a Director in place of Smt Poonam Sanghi, who retires by rotation and, being eligible offers herself for re-appointment
- 3 To appoint Auditors and to fix their remuneration

SPECIAL BUSINESS

- 4 To consider and if thought fit, to pass with or without modification(s), if any, the Following Resolution as an Ordinary Resolution .

“ RESOLVED THAT Shri M K Saboo and Shri K. Udaykumar , who were appointed as Additional Directors and hold the office upto the date of this Annual General Meeting and in respect of whom the company has received the notices in writing from a member under the provisions of section 257 of The Companies Act,1956 proposing their candidature for the office of the Director, be and is hereby appointed as Directors ”

By Order of the Board

Date 22nd July ,2006

(A K Sanghi)

Notes:

- a) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. The instrument of proxy should however be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting
- b) The Register of Members and Share Transfer Books of the Company will remain closed from 28th August to 2nd September, 2006(both days inclusive)
- c) Members desiring any information with respect to the accounts for the year ended 31st March 2006 are requested to write to the Company at its Registered office at least seven days before the date of the General Meeting so as to enable the Management to keep the information ready
- d) Members are requested to notify to the company immediately about change in their address, if any
- e) Members are requested to bring their copy of Annual Report to the meeting

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

The Board of Directors of the Company at its meeting held on 31st December,2005 appointed Shri M K Saboo and Shri K Udaykumar as Additional Directors

Pursuant to section 260 of the Companies Act,1956 they hold office upto date of this Annual General Meeting. The company has received a notice in writing, along with a deposit of rupees 1000/-,from a member proposing the candidature of Shri M K Saboo and Shri K Udaykumar for the office of the Directors under the provision of section 257 of the Companies Act,1956. Your Directors recommend their appointment as Directors of the company

Shri M K.Saboo and Shri K.Udaykumar are interested in resolution

DIRECTORS REPORT

To,
The Members,

Your Directors have pleasure in presenting the Sixteenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2006

FINANCIAL RESULTS

The financial results of the Company for the year ended 31st March 2006 are as follows

	31 st March 2006 (Rs)	31 st March 2005 (Rs)
Turnover	78,45,698	25,98,677
Profit/(Loss)	2,21,515	(12,98,551)
Less/Add Balance brought forward	(2,10,08,049)	(1,97,09,498)
Balance carried to the Balance Sheet	(2,07,86,534)	(2,10,08,049)

DIVIDEND

In view of earlier losses, no dividend is recommended for the year under review

OPERATIONS & FUTURE PROSPECTS

As mentioned under Notes on Accounts, your company is facing substantial Income Tax Liabilities, which are being contested at appeal level. Management thought it prudent to undertake fresh substantial business activities once the Income Tax matter is settled and required working capital organized.

FIXED DEPOSITIS

The Company is not having any deposit.

PARTICULARS OF EMPLOYEES

There are no employees in respect of whom particulars as required under Section 217(2A) of the Companies Act, 1956 need to be disclosed in the Directors' Report.

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

Particulars required to be disclosed in accordance with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are not applicable to the Company.

DIRECTORS RESPONSIBILITY

Your Directors confirm the following Directors' Responsibility statement pursuant to provisions of section 217(2AA) of the Companies Act, 1956:

- in the preparation of Annual accounts for the year ended 31st March 2006 the company has followed the applicable accounting standards with proper explanations relating to material departures, if any;
- Appropriate accounting policies have been selected and applied consistently and judgment and estimates are made prudently and reasonably so as to give a true and fair view of the state of affairs of the company as at 31st March 2006 and of the profit of the company for that year;
- Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with application provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

The Report on Managements Discussion and Analysis and Report on Corporate Governance are forming part of Directors Report and are annexed as Annexure "A"

As required by the Listing Agreement an Auditors Report on Corporate Governance is also attached to the said Report

CASH FLOW STATEMENT

As required under Clause 32 of the Listing Agreement with the stock Exchanges, a Cash Flow Statements is attached to the Balance Sheet, along with Auditors Certificate

DIRECTORS

In accordance with the Companies Act, 1956 and the Articles of Association, Smt Poonam Sanghi retires by rotation and being eligible offers herself for re-appointment

During the year Shri M K Saboo and Shri K Udaykumar were inducted as additional Directors. **The members are requested to regularize their appointment in the ensuing Annual General Meeting. During the year Smt. Nishma Gupta has resigned from the Board of Directors due to other engagements. The company puts on record her valuable contribution during her tenure as Director.**

AUDITORS REPORT

The Auditors in their Report have referred to notes forming of accounts. The said notes are self explanatory

AUDITORS

M/s Gupta Saharia & Co, Chartered Accountants, Mumbai, retire at the ensuing annual General Meeting and being eligible, offer themselves for re-appointment

For and on behalf of Board

Place Mumbai
Date 22nd July 2006

A K SANGHI
(Director)

ANNEXURE-A

CORPORATE GOVERNANCE REPORT

- 1 We state herein below the requisite information, to the extent applicable relating to corporate functioning of your Company for the purposes of due transparency on this aspect

2. **BOARD OF DIRECTORS**

a) **Composition of Board**

The Board of Directors of the Company consists of 4 members The Board of Directors of the Company as at 31st March 2006 is as under

Name	Designation	No other Directorships and Committee Memberships/ Chairmanship (excluding Pvt. Cos.)		
Shri A K Sanghi	Non Executive	ONE	NIL	NIL
Smt Poonam Sanghi	Non Executive	NIL	NIL	NIL
Shri M K Saboo	Non Executive	NIL	NIL	NIL
Shri K Udaykumar	Non Executive	NIL	NIL	NIL

b) **Attendance records of each Director**

6 Board Meetings were held during the year 2005-2006. These meeting were held on 30 04 2005, 30 07 2005, 20 08 2005, 29 10 2005, 31 12 2005 & 28 01 2006 The attendance record of all the Directors at the Board Meeting and the last Annual General Meeting between 01 04 2005 to 31 03 2006 is as under -

Name	No of BOD Meeting held	No of BOD Meetings attended	Attended last AGM
Shri A K Sanghi	6	6	YES
Smt. Poonam Sanghi	6	6	YES
Smt Nishma Gupta	4	4	YES
Shri M.K Saboo	1	1	N A
Shri Uday Kumar	1	1	N A

3. **COMMITTEES OF THE BOARD OF DIRECTORS**

Taking into consideration the volume of business operations of the Company, the company has constituted Audit Committee and Investor Grievance Committee However there is no Remuneration Committee of the board

4. **SHAREHOLDER'S INVESTORS GRIEVANCE COMMITTEE**

Listing on BSE

Quarterly results for each of the quarter are taken on record by the Company and submitted to the BSE in terms of the requirements of clause 41 of the listing application

5. **SHARE TRANSFER COMMITTEE**

The share transfer committee has been constituted consisting of two directors namely Shri A K Sanghi and Smt. Poonam Sanghi Number of pending share transfers as at 31 3 2006 were Nil