

**TWENTY SECOND  
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**

<b>CHAMPALAL JANGID</b>	: Managing Director
<b>RAJ RATAN SINGHVI</b>	: Director
<b>AJIT BHAVSAR</b>	: Director
<b>NAVIN AGARWAL</b>	: Director

**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. Limited.(w.e.f. 25/06/2010)  
211, Sudarshan Complex, Nr. Mithakhali Under Bridge  
Navrangpura, Ahmedabad – 380 009

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**NOTICE**

NOTICE IS HEREBY given that the 22nd 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 30th day of September 2011 at 03:00 p.m. to transact the following business :-

**ORDINARY BUSINESS**

1. To receive consider and adopt the Audited Balance Sheet as at 31.03.2011 and the Profit & Loss account for the year ended on that date and the Reports of the Directors and Auditors thereon.
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.

**Registered Office :**  
27, Mahavir Jain Society  
Bapu Nagar, Ahmedabad  
Place : Ahmedabad  
Date : 18th August, 2011

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 24.09.2011 to 30.09.2011 (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.

## ANNUAL REPORT 2010-2011

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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:

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Name of the Director	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

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**DIRECTORS' REPORT**

Your Directors have pleasure in placing before you the 22nd Annual Report together with the Audited Accounts of the Company for the Year ended as on 31st March, 2011.

**FINANCIAL RESULTS :-**

	<b>As on 31.03.2011</b>	(Rs. in lacs) As on 31.03.2010
Income from operations	<b>76.20</b>	76.55
Profit / (Loss) before taxes	<b>25.60</b>	27.34
Less: Provision for Income Tax	<b>14.26</b>	12.79
Add: Deferred Tax Assets / Liabilities	<b>6.25</b>	6.38
Profit/(Loss) after taxes	<b>17.59</b>	20.92
Less : Transfer to Statutory Reserve	<b>3.52</b>	4.19
Profit/(Loss) brought forward from Previous year	<b>28.30</b>	11.56
Profit/(Loss) carried to Balance Sheet	<b>42.38</b>	28.30

**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 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:

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2011 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 and 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, 2011 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 2011-12 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 in place of Pinnacle Share Registry Pvt. Ltd. to undertake transfer of physical share certificated 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, information as per section 217 (2A) of the Company Act 1956 Companies (Particular of Employees) Rules 1975 as amended is Nil. Since there are no employees drawing Rs. 2,00,000/- (Rupees Two Lacs Only) or more per month during the year or Rs. 24,00,000/- p.a. during the period under review.

## AUDITOR'S REPORT

The Auditors report for the year ended on 31st March, 2011 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 : 18th August, 2011

**(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, 2011, 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	07	07	1	2	—	Yes
02	Champalal Jangid	Executive Director	07	07	Nil	—	—	Yes
03	Ajit Bhavsar	Nonexecutive Director	07	06	Nil	—	—	Yes
04	Navin Agarwal	Non Executive Director	07	06	Nil	Nil	—	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	30.04.10	4	4
02	26.07.10	4	3
03	04.09.10	4	4
04	15.10.10	4	3
05	30.10.10	4	4
06	29.01.11	4	4
07	15.03.11	4	3

### 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	3
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 31.03.2011 : 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 Rs.137987/-.

**4. DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS**

Year	Location	Date	Time
2008	27, Mahavir Jain Society, Bapu Nagar, Ahmedabad	29/09/08	03:00 PM.
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.

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## 5. DISCLOSURES

- a. 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.
- b. The Company has disclosed related party transactions in the notes forming part of accounts. Except this there is no materially significant related party transaction, which may have potential conflict with the interests of the company at large. Company has given a certificate to auditors regarding all related party transactions.
- c. That in preparation of financial statement all applicable accounting standards are followed.
- d. The Company has complied with all the mandatory requirements as specified under clause 49 of the listing agreement. A certificate from the statutory auditor of the Company to this effect has been included in this report. The Company is yet to adopt the non mandatory requirements of Clause 49 of the listing requirement.

## 6. CEO/CFO CERTIFICATE

The Managing Director of the Company has furnished the requisite certificate to the Board of Directors under Clause 49 VII of the Listing Agreement.

## 7. REPORT ON CORPORATE GOVERNANCE

A separate section on Corporate Governance forms part of the Annual Report. Certificate from statutory auditors confirming compliance with all the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement with the Stock Exchanges forms part of this report.

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective codes have been made by the Directors and Senior Management of the Company.

## 8. NOTES ON DIRECTOR SEEKING APPOINTMENT / RE – APPOINTMENT

Mr. Ajit Bhavsar, who retires by rotation and being eligible, offers himself for reappointment. Resolutions seeking his re-appointment as rotational director have also been incorporated in the Notice for the approval of shareholders. His details have been disclosed in the Notice for the AGM i.e. a brief resume, nature of expertise in specific functional areas, names of directorship and committee membership etc.

## 9. MEANS OF COMMUNICATIONS

- Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchanges in terms of the requirement of Clause 41 of the Listing Agreement.
- The Quarterly Results were published in Western Times in English and Gujarati edition on 03.08.10, 31.10.10, 01.02.11 and 01.05.11 respectively for each quarter and annual results were published on 03.08.2010 Western Times in English and Gujarati edition. The relevant copies have been sent to the Stock Exchange at Mumbai.

## 10. SHAREHOLDERS INFORMATION

### A. Annual General Meeting

Date : 30.09.2011

Time : 03:00 PM.

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

### B. Book Closure Date : 24.09.2011 to 30.09.2011 (Both the days inclusive)

### C. Financial Calendar (Tentative)

Financial Year : 2011-12.

First Quarter Result : End of July, 2011.

Second Quarter Result : End of October, 2011.

Third Quarter Result : End of January, 2012.

Result for year ending 31.03.2012 : End of May, 2012.

### D. Dividend Payment date : Not Applicable.

### E. Listing on Stock Exchange : Bombay Stock Exchange Limited. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai: 400001

## ANJANI FINANCE LIMITED

- F. Stock Code : (a) BSE - 531878  
 (b) NSDL - INE283D01018.  
 (c) CDSL - INE283D01018.

G. Stock Market Data :

Monthly High and Low quotations as also the volume of shares traded on Bombay Stock Exchange Limited.

Month	High	Low	No. of Shares Traded	Sensex	
				High	Low
April 2010	10.10	8.30	17035	18047.86	17276.80
May 2010	9.34	8.75	14311	17536.86	15960.15
June 2010	9.00	7.46	15580	17919.62	16318.39
July 2010	10.09	6.92	129085	18237.56	17395.58
August 2010	10.40	8.50	40876	18475.27	17819.99
September 2010	11.02	8.78	46367	20267.98	18027.12
October 2010	9.04	7.26	13668	20854.55	19768.96
November 2010	7.67	6.55	4503	21108.64	18954.82
December 2010	6.95	5.52	10839	20552.03	19074.57
January 2011	6.24	5.11	30034	20664.80	18036.48
February 2011	6.30	4.36	3895	18690.97	17295.62
March 2011	4.64	3.68	16679	19575.16	17792.17

H. Share Transfer System

The Shares of the Company are in physical as well as Demat form. All share transfers are handled by Company's Registrar and Share Transfer Agent M/s. Link Intime India Pvt. Ltd, 211, Sudarshan Complex, Nr. Mithakhali Under Bridge, Navrangpura, Ahmedabad – 380 009 registered with SEBI.

The Shares of the Company are available for trading in depository systems of both NSDL and CDSL. The ISIN number allotted to the company is INE283D01018. As on 31st March, 2011, 8548795 Shares of the Company, forming 84.28% of Share Capital of the Company have been dematerialized.

I. Distribution of Shareholding as on 31st March, 2011.

Range No. of Shares	Shareholders		Shares	
	Number	% of total holders	Numbers	% to total capital
a Up to 5000	3768	97.9	1434470	14.14
b 5001 to 10000	24	0.62	215500	2.12
c. 10001 to 20000	23	0.6	329456	3.25
d. 20001 to 30000	6	0.16	154909	1.53
e. 30001 to 40000	3	0.08	112000	1.1
f. 40001 to 50000	2	0.05	93500	0.92
g. 50001 to 100000	12	0.31	822648	8.11
h. 100001 to Above	11	0.29	6980817	68.82
	3849	100	10143300	100

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## J. Shareholding Pattern of the Company as on 31st March, 2011

Category	No. of Shares Held	% age of Shareholding
<b>i. PROMOTER HOLDING</b>		
1. NRI Promoter (including OCBS)	—	—
2. Indian Promoter, relatives & Associates	49,14,252	48.45
Sub Total	49,14,252	48.45
<b>ii. NON PROMOTERS HOLDING</b>		
Institutional Investors:-		
1. Mutual Fund and UTI Banks, Financial Institutions, Insurance Companies, Central / State Govt., Institutions / Non Government Institutions (Including Foreign Financial Institutions)	—	—
Sub Total	—	—
<b>OTHERS</b>		
a. Corporate Bodies	13,07,201	12.89
b. Indian Public	39,20,942	38.65
c. NRIS	905	00.01
d. Any other Bank of Depository GRDS	—	—
Sub Total	52,29,048	51.55
Grand Total	1,01,43,300	100.00

## K. Details on use of Public Funds obtained in the last three years:

No funds have been raised from the public during the last three years.

## L. DEMATERIALISATION OF SHARES:

As on March 31, 2011 84.28 % of the shareholding was held in dematerialized form with National Securities depository Limited and Central Securities Depository Limited.

## M. OUTSTANDING GDRs/ADRs/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDR/ADR/Warrants or any convertible instruments.

## N. Plant locations of the company : Not applicable.

## O. Unclaimed dividends : Not applicable.

## P. Address for Correspondence

**Correspondence Address** : Anjani Finance Ltd.  
27, Mahavir Jain Society Near Amber Cinema, Bapu Nagar A'bad – 380 024

All queries of investors regarding the Company's shares in physical or electronic form may be sent at the following address :-

Link Intime India Pvt. Ltd.

211, Sudarshan Complex, Nr. Mithakhali Under Bridge Navrangpura, Ahmedabad – 380 009

Phone No.: (079) 26465179 (079) 30006899 E Mail ID : ahmedabad@linkintime.co.in

## Q. BANK DETAILS

Shareholders holding shares in physical form are requested to notify / send the following to the company to facilitate better, service.

i) Any change in their address / bank details, and

ii) Particulars of their bank account, in case the same have not been sent earlier.

## R. NOMINATION FACILITY

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 109 A of the Companies Act, 1956, are requested to submit to the Company the prescribed Form 2B for this purpose.

For and on behalf of the Board

Place : Ahmedabad.  
Date : 18th August, 2011

**{Champalal Jangid.}**  
Managing Director

**COMPLIANCE WITH CODE OF CONDUCT**

I hereby, Champalal Jangid, Managing Director declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Ahmedabad  
Date : 18th August, 2011

**[Champalal Jangid]**  
*Managing Director*

**CFO CERTIFICATION**

I, Champalal Jangid, Managing Director certify to the Board that:

- (a) I have reviewed the financial statements and cash flow statement for the year ended on 31st March, 2011 and to the best of my knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2011 are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I accept the responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting. We have disclosed to the Auditors and the audit committee, 'deficiencies in the design or operations of such internal controls, if any, of which I am aware and steps have been taken to rectify these deficiencies.
- (d) I have indicated to the Auditors and to the Audit Committee:
  - (i) significant changes in internal control during the year.
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial accounts.
  - (iii) instances of significant fraud of which they have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For and on behalf of the Board

Place : Ahmedabad  
Date : 18th August, 2011

**[Champalal Jangid]**  
*Managing Director*

**AUDITOR'S CERTIFICATE**

To,  
The Members of  
**Anjani Finance Ltd.**

We have examined the compliance of Corporate Governance by **ANJANI FINANCE LTD.** ("the Company") for the year ended 31st March, 2011 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring compliance of the conditions of corporate governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the Financial Statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the company with the Stock Exchange.

We further state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For O. P. BHANDARI & CO.**  
Chartered Accountants  
Firm Regn. No. 112633W

Ahmedabad  
18th August, 2011

**O. P. BHANDARI**  
Proprietor  
M. No. 34409

## AUDITORS' REPORT

To,  
The Members,  
Anjani Finance Limited

1. We have audited the attached Balance Sheet of as at 31st March 2011, the Profit and Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms, of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a Statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to paragraph (3) above, we report that:
  - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books ;
  - c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account ;
  - d. In our opinion, these account have been prepared in compliance with the applicable accounting standards referred to in sub-section (3C) of section 211 of the Act;
  - e. On the basis of written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956;
  - f. The said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
    - i. In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2011;
    - ii. In the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
    - iii. In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**For O. P. BHANDARI & CO.**  
Chartered Accountants  
Firm Regn. No. 112633W  
**O. P. BHANDARI**  
Proprietor  
M. No. 34409

Ahmedabad  
18th August, 2011

### **ANNEXURE TO THE AUDITORS' REPORT (REFERRED TO IN OUR REPORT OF EVEN DATE)**

- i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - a. The Management at reasonable intervals has physically verified these Fixed Assets and no material discrepancies were noticed on such verification.
  - b. No substantial part of Fixed Assets has been disposed off during the year.
- ii) As there is no inventory, accordingly clause 4(ii) of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.
- iii)
  - a. According to the information and explanations given to us, the Company has not taken unsecured /secured loans from parties covered in the register maintained under Section 301 of the Companies Act, 1956.
  - b. According to the information and explanations given to us, the Company has not granted unsecured loans to any parties covered in the register maintained under section 301 of the Companies Act, 1956.

- iv) In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control.
- v) a. Based on the audit procedures applied by us and according to information and explanations provided by the management, we are of the opinion that all the transactions that needed to be entered into the register in pursuance of Section 301 of the Act have been so entered.  
b. According to the information and explanations given to us, there are no transactions in excess of 5 Lacs in respect of any party and hence the question of reasonable price in respect of such transaction with regards to prevailing market prices does not arise.
- vi) In our opinion and according to the information given to us the Company has not accepted deposits from the public and the provisions of Section 58A and 58AA of the Act, rules framed there under and other relevant directives issued by the Reserve Bank of India are not applicable to the Company.
- vii) In our opinion, the Company has an Internal Audit System commensurate with its size and nature of its business.
- viii) The Company is not required to maintain Cost records as prescribed by Central Government under Clause (d) of Sub-Section (1) of Section 209 of the Act.
- ix) a. According to the records examined by us, the Company is generally regular in depositing undisputed statutory dues applicable to it with the appropriate authorities.  
b. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Customs Duty, Excise Duty, and Cess were outstanding, at the year end for a period of more than six months from the date they became payable.  
c. According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax or Excise Duty outstanding on account of any dispute.
- x) The Company does not have accumulated losses as at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial years.
- xi) In our opinion and according to the information & explanations given to us, the company has neither taken any Loans from any Financial Institution & Bank nor issued any Debentures. Accordingly, clause 4(xi) of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.
- xii) Based on our examination of documents and records maintained by the company, we are of the opinion that since the company has not granted any loan and advance on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clause 4(xii) of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.
- xiii) In our opinion, the company is neither a chit fund nor nidhi or mutual benefit fund or society and hence clause 4(xiii) of the Order is not applicable to the company.
- xiv) According to the information and explanations given to us, proper records have been maintained in respect of the transactions and contracts in shares, securities debentures and other investments and timely entries have been made therein. The aforesaid securities have been held by the company in its own name.
- xv) According to the information and explanations given to us, and records examination by us, we are of the opinion that the company has not given guarantee for loans taken by others from banks or financial institutions.
- xvi) In our opinion and according to the information and explanation given to us, the term loans have been applied for the purposes for which they have been obtained.
- xvii) On the basis of an overall examination of the Balance Sheet and Cash Flows of the Company and the information and explanations given to us, we report that the Company has not utilized the funds raised on short- term basis for long term investment and vice-versa.
- xviii) During the year the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4(xviii) of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.
- xix) The Company did not issue any debentures during the year. Accordingly, clause 4(xix) of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.
- xx) The Company has not raised any money through a public issue during the year.
- xxi) To the best of our knowledge and belief and according to the information and explanation given to us, no material fraud on or by the company has been noticed or reported during the course of our audit.

**For O. P. BHANDARI & CO.**

Chartered Accountants  
Firm Regn. No. 112633W

**O. P. BHANDARI**

Proprietor  
M. No. 34409

Ahmedabad  
18th August, 2011

# ANNUAL REPORT 2010-2011

## BALANCE SHEET AS AT 31ST MARCH, 2011

<b>PARTICULARS</b>	<b>SCHEDULE No.</b>	<b>Current Year Rs.</b>	<b>Previous Year Rs.</b>
<b>SOURCES OF FUNDS</b>			
<b>Shareholder's Fund</b>			
Share Capital	1	101433000	101433000
Reserve & Surplus	2	5406801	3647321
<b>Loan funds</b>			
Secured Loans	3	7337898	10839563
Deferred Tax Liability		1196281	1821582
		<u>115373979</u>	<u>117741466</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
	4		
Gross Block		25716784	25246836
Less: Depreciation		18363049	15718922
Net Block		7353735	9527914
Capital Work In Progress		0	118050
Investment	5	71408500	56308500
<b>Current Assets, Loans &amp; Advances</b>			
Cash & Bank Balances	6	644520	1324067
Sundry Debtors	7	616211	1746858
Loans and Advances	8	36951043	50354909
		<u>38211774</u>	<u>53425834</u>
<b>Less : Current Liabilities &amp; Provisions</b>			
	9		
Current Liabilities		98151	11839
Provisions		1501879	1626993
		<u>1600030</u>	<u>1638832</u>
<b>NET CURRENT ASSETS</b>			
		<u>36611744</u>	<u>51787002</u>
<b>Total</b>		<u>115373979</u>	<u>117741466</u>
Significant Accounting Policies & Notes on Accounts	15		

As per our Report of Even Date  
For, **O. P. BHANDARI & CO**  
*Chartered Accountants*  
Firm Reg. No. 112633W  
**(O. P. Bhandari)**  
Proprietor  
Mem. No. 34409  
Place : Ahmedabad  
Date : 18th August, 2011

For & on Behalf of the Board

**Champalal Jangid** *Managing Director*  
**Raj Ratan Singhvi** *Director*  
**Ajit Bhavsar** *Director*

Place : Ahmedabad

Date : 18th August, 2011



# ANJANI FINANCE LIMITED

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2011

PARTICULARS	SCHEDULE No.	Current Year Rs.	Previous Year Rs.
<b>INCOME</b>			
Income from Operations	10	7619867	7654860
Miscellaneous Income	11	56000	0
		7675867	7654860
<b>EXPENDITURE</b>			
Payment to and Provision for Employees	12	464428	418810
Administrative & General Expenses	13	1097357	1040530
Financial Charges	14	909719	1063563
Depreciation	4	2644127	2398365
		5115631	4921268
<b>Profit/(Loss) Before Tax</b>		2560236	2733592
<b>Less: Provision for Tax</b>			
Provision for Current Tax		1426057	1486967
Provision for Deferred Tax Liability		0	0
<b>Add : Provision for Tax</b>			
Excess Provision of Tax		0	207678
Provision for Deferred Tax Asset		625301	638593
<b>Profit / (Loss) after Tax</b>		1759480	2092896
Less : Transfer to Statutory Reserve		351896	418579
Add : Balance Brought Forward		2830815	1156498
		4238399	2830815
<b>Earning Per Share</b>		0.17	0.21
Significant Accounting Policies & Notes on Accounts	15		

As per our Report of Even Date  
For, **O. P. BHANDARI & CO**  
*Chartered Accountants*  
Firm Reg. No. 112633W  
**(O. P. Bhandari)**  
Proprietor  
Mem. No. 34409  
Place : Ahmedabad  
Date : 18th August, 2011

For & on Behalf of the Board

**Champalal Jangid** *Managing Director*  
**Raj Ratan Singhvi** *Director*  
**Ajit Bhavsar** *Director*

Place : Ahmedabad

Date : 18th August, 2011

# ANNUAL REPORT 2010-2011

## SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT AS AT 31st MARCH, 2011

PARTICULARS	Current Year Rs.	Previous Year Rs.						
<b>SCHEDULE - 1 : AUTHORISED SHARE CAPITAL</b>								
10500000 (Previous Year 10500000) Equity Shares of Rs. 10/- Each	<b>105000000</b>	105000000						
<b>ISSUED, SUBSCRIBED AND PAID UP</b>								
10143300 (Previous Year 10143300) Equity Shares of Rs. 10/- Each Fully paid up for cash	<b>101433000</b>	101433000						
<b>Total</b>	<b>101433000</b>	101433000						
<b>SCHEDULE - 2 : RESERVES AND SURPLUS</b>								
Statutory Reserve	<b>1168402</b>	816506						
Profit and Loss Account	<b>4238399</b>	2830815						
<b>Total</b>	<b>5406801</b>	3647321						
<b>SCHEDULE - 3 : SECURED LOANS</b>								
Term Loan from UCO Bank (Equitable mortgage of Wind Energy Generators & Landed Property where the WEG is installed. & Hypothecation of Contractors Guarantee, Performance Bond Liquidated Damage, receivable from Rajasthan State Electricity Board, Book Debt & other current .assets, Personal Guarantee of Sanjay Kumar Agarwal.) ICICI Bank Ltd (Car Loan) (Secured Against Vehicle)	<b>5671645</b>	8035721						
<b>Total</b>	<b>1666253</b>	2803842						
<b>SCHEDULE - 4 : FIXED ASSETS.</b>								
Sr. PARTICULARS	GROSS BLOCK		DEPRECIATION			NET BLOCK		
No	Balance As At 1.4.2010	Additions	Balance As At 31.3.2011	Balance As At 1.4.2010	For the Year	Up To 31.3.2011	As At 31.3.2011	As At 31.3.2010
1 Wind Energy Convertor	21152345	0	<b>21152345</b>	15410836	1597288	<b>17008124</b>	<b>4144221</b>	5741509
2 Computer & Printer	184058	101658	<b>285716</b>	147210	19463	<b>166673</b>	<b>119043</b>	36848
3 Four Wheeler	3,910,433	—	<b>3910433</b>	160876	970760	<b>1131636</b>	<b>2778797</b>	3749557
4 Furniture & Fixture	0	368,290	<b>368290</b>	-	56616	<b>56616</b>	<b>311674</b>	-
CURRENT YEAR(Rs.)	<b>25246836</b>	<b>469948</b>	<b>25716784</b>	<b>15718922</b>	<b>2644127</b>	<b>18363049</b>	<b>7353735</b>	<b>9527914</b>
PREVIOUS YEAR (Rs.)	21336403	3910433	<b>25246836</b>	13320557	2398365	<b>15718922</b>	<b>9527914</b>	8015846
<b>SCHEDULE - 5 : INVESTMENTS (At cost)</b>								
<b>LONG-TERM UNQUOTED</b>								
<b>Equity Shares of :</b>								
Agarwal Transport Corporation Pvt. Ltd (100 Equity Shares of Rs. 10/- each)	<b>8500</b>	8500						
Chair Finance & Investments Pvt. Ltd (187500 Equity Shares of Rs. 10/- each)	<b>30000000</b>	30000000						
Chameli Flour Mills Pvt. Ltd. Share Application (207000 Equity Shares of Rs. 10/- each at a premium of Rs.190)	<b>41400000</b>	26300000						
<b>Total</b>	<b>71408500</b>	56308500						
<b>SCHEDULE - 6 : CASH AND BANK BALANCES</b>								
Cash in Hand	<b>43400</b>	19412						
Balance in Current Account with Schedule Banks	<b>601120</b>	1304655						
<b>Total</b>	<b>644520</b>	1324067						

# ANJANI FINANCE LIMITED

PARTICULARS	Current Year Rs.	Previous Year Rs.
<b>SCHEDULE - 7 : SUNDRY DEBTORS</b>		
( Unsecured, considered good for which company hold no security)		
- More than Six Months old	118124	1117472
- Other Debts	498087	629386
<b>Total</b>	<b>616211</b>	<b>1746858</b>
<b>SCHEDULE - 8 : LOANS AND ADVANCES &amp; DEPOSIT</b>		
(Unsecured, considered good by the Management for which company holds no security)		
Loans	33790192	48485156
Advances (recoverable in cash or in kind or for value to be received)	1236605	107249
Advance Tax and Tax Deducted at Sources	1924246	1762504
<b>Total</b>	<b>36951043</b>	<b>50354909</b>
<b>SCHEDULE - 9 : CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>a) Current Liabilities</b>		
Creditors	60218	0
TDS Payable	37933	11839
	<b>98151</b>	<b>11839</b>
<b>b) Provisions</b>		
Provision for expenses	75822	140026
Provision for Income-Tax	1426057	1486967
<b>Total</b>	<b>1501879</b>	<b>1626993</b>
<b>SCHEDULE - 10 : INCOME FROM OPERATIONS</b>		
Energy Income	6961384	4346237
Interest Recd on Loan	3487092	6695239
Loss in Share Trading (F&O)	(2828609)	(3386616)
<b>Total</b>	<b>7619867</b>	<b>7654860</b>
<b>SCHEDULE - 11 : MISCELLANEOUS INCOME</b>		
Bank Charges	56000	0
	<b>56000</b>	<b>0</b>
<b>SCHEDULE - 12 : PAYMENT TO AND PROVISIONS FOR EMPLOYEES</b>		
Salaries & Allowances	309641	269232
Director's Remuneration	137987	132778
Bonus	16800	16800
<b>Total</b>	<b>464428</b>	<b>418810</b>
<b>SCHEDULE - 13 : ADMINISTRATIVE &amp; GENERAL EXPENSES</b>		
Audit Fees	55150	55150
AGM Expenses	16150	14345
Advertisement Expenses	25976	22304
Conveyance Exp.	25023	6180
Diwali Exp.	5513	4871
Donation	0	240000
Insurance Expenses	118889	56809
Lease Rent	0	5160
Legal & Professional Expenses	90330	307312
Listing Fee	33090	36341
Office Rent	188832	188832
Postage & Telegram Expenses	19371	10770
Repair & Maintenance	438627	19976
Stationery & Printing Expenses	33421	27165
STT Charges	2910	
Telephone Expenses	4800	4800
Travelling Expenses	10015	17285
Other Expenses	29260	23230
<b>Total</b>	<b>1097357</b>	<b>1040530</b>

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PARTICULARS	Current Year Rs.	Previous Year Rs.
<b>SCHEDULE - 14 : FINANCIAL CHARGES</b>		
Interest Paid On Term Loan	693542	912868
Interest Paid to Others	180	30381
Interest Paid On Car Loans	208011	35842
Bank Charges	7986	84472
<b>Total</b>	<b>909719</b>	<b>1063563</b>

## SCHEDULE- 15 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### A. NATURE OF OPERATIONS

Anjani Finance Limited (the 'Company') is a Non Banking Finance Company. The Company was incorporated on October 18, 2005 and 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.

### B. SIGNIFICANT ACCOUNTING POLICIES

#### (1) Basis of Preparation of Financial Statements

The financial statements have been prepared and presented on an accrual basis under the historical cost convention and in accordance with the applicable accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. The accounting policies have been consistently applied unless otherwise stated.

#### (2) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that affects the reported amount of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

#### (3) Revenue Recognition

- (i) Income from trading in shares and securities are accounted on accrual basis (Value wise) under the head Sales and Income from share Operation. It is management's decision to classify shares and securities trading as investments or trading operation.
- (ii) Interest income on loans is recognized on accrual basis.
- (iii) Revenue from windmill energy generation is accounted for on the basis of the billing to Rajasthan Power Procurement Company as per the Purchase of Power Agreement entered into with them.

#### (4) Fixed Assets

Fixed assets are stated at Cost Less Depreciation on Written Down method under Companies Act 1956. Incidental Expenditure directly attributable to construction is accumulated as Capital Work in Progress.

#### (5) Depreciation

Company has provided Depreciation as per written down value Method at the rates and manner prescribed in Schedule XIV of the Companies Act, 1956.

#### (6) Retirement Benefits

We have been informed that payment of Gratuity, Provident Fund is not applicable to Company.

#### (7) Borrowing Cost

Borrowing cost is recognised as expense in the period in which these are incurred.

#### (8) Provision for Taxation

Provision for Income tax for the current year is based on the estimated taxable income for the period in accordance with the provisions of the Income Tax Act, 1961.

The Deferred Tax resulting from timing difference between book and taxable profit is accounted for using tax rates and tax laws that have been enacted or substantively enacted as at the Balance Sheet date.

#### (9) Segment Reporting

The Company has identified its operations into two major Businesses: Financial / Investment Activity and Wind Mill Energy Generation.

The Company has identified its major operations into single geographical area that is within India.

#### (10) Contingent Liabilities:

Contingent Liabilities are disclosed by way of notes to the accounts explaining the nature and quantum of such liabilities.

# ANJANI FINANCE LIMITED

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but the existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

## C. NOTES TO ACCOUNTS

(1) The Company no contingent liability as at 31.03.2011.

### (2) Segment Reporting

Information about Business Segments as on 31.03.2011 is as follows:

Amount Rs. in lacs

Primary Business Segments	Financial/Investment Activity		Wind Energy Generation		Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
<b>Revenue</b>						
External Revenue	6.59	33.08	69.60	43.46	76.19	76.54
Inter Segment Revenue	—	—	—	—	—	—
Total Revenue	6.59	33.08	69.60	43.46	76.19	76.54
<b>Segment Result</b>						
Profit Before Tax	(17.12)	17.60	42.72	9.74	25.60	27.34
Provision for taxes	8.01	—	—	—	8.01	6.41
Profit or Loss after Taxes	25.13	—	42.72	—	17.59	20.93
<b>Other Information</b>						
Segment Assets	1108.18	1118.59	61.56	75.21	1169.74	1193.80
Segment Liabilities	44.62	62.64	—	—	44.62	62.64
Net Worth	1152.80	1181.23	61.56	75.21	1214.36	1256.44
Capital Expenditure	3.51	1.18	—	—	3.51	1.18
Depreciation	10.47	1.85	15.97	22.13	26.44	23.98

### (3) Deferred Tax:

The Deferred Tax Assets for the year Rs. 625301/- has been recognized in the profit and loss account. The Break up of Deferred Tax Assets & Deferred Tax Liability is given below:

	Opening as at 01/04/2010	Charge/ (Credit) during the year	Closing as at 31/03/2011
Deferred Tax Liability			
Timing differences on depreciation	(1821582)	625301	(1196281)
Deferred Tax Liability recognised	(1821582)	625301	(1196281)

### (4) Related Party Disclosure & Transaction: (As Certified by Management)

(i) Details of Related Party and their relationships

Key Managerial Personnel : Mr. Champalal Jangid  
Mr. Ajit Bhavsar

Associates : Chair Finance & Investments Pvt. Ltd.

(ii) Transactions with the related Parties

Rs. in Lacs

Particulars	Key Managerial Personnel	Associates
Salary	1.38	—
Rent	0.30	—
Interest received	—	34.87
Advances received or adjusted	—	164.53
Advances given or adjusted	—	104.25

### (5) Earning Per Share:

Particulars	2010-11	2009-10
Profit / (Loss) after tax as per P & L A/c	17,59,480	20,92,896
No. of Equity Shares	1,01,43,300	1,01,43,300
Basic Earning Per Share	0.17	0.21
Diluted Earning Per Share	0.17	0.21

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- (6) The information required as per Paragraph 3 of Part II of Schedule VI of the Companies Act, 1956, regarding quantities information about the Purchases made, the Opening and Closing Stocks are as follows.
- (7) As this is an Infrastructure Company the information required as per Paragraph 4C of Part II of Schedule VI of the Companies Act, 1956, regarding License Capacity, Installed Capacity and actual production are not required.
- (8) Details under Provision of clause 4D of part II of schedule VI of the Companies Act, 1956 regarding value of imports expenditure incurred in Foreign Currency, amount of remittance in Foreign Currency on accounts of dividends, export earnings etc. are not given as all information required in the clause are NIL (Previous Year NIL)
- (9) Amount paid by way of Remuneration to Auditors:-

	<u>2010-2011</u>	<u>2009-2010</u>
(i) Audit Fees	<b>30,000</b>	30,000
(ii) Tax Audit	<b>10,000</b>	10,000
(iii) Income Tax	<b>10,000</b>	10,000
(iv) Service tax	<b>5,150</b>	5,150
	<b><u>55,150</u></b>	<u>55,150</u>

(10) Managerial Remuneration:

- a) Computation of net profit for calculation of Managerial Remuneration

<b>Particulars</b>	<b>Amount (Rs.)</b>
Net Profit Before Tax	14,26,057
Add: Director's Remuneration	1,37,987
<b>Total- A</b>	<b>15,64,044</b>
Less: Profit on Sale of Asset / (Investments)	Nil
<b>Total – B</b>	<b>15,64,044</b>
<b>Net Profit as per Sec 349 of the Companies Act, 1956(A – B)</b>	

- b) Details of Payments and Provisions on account of Remuneration to Managerial personnel in Accordance with Sec 349 and Sec 350 of the Companies Act, 1956, included in the Profit and Loss account, are as under:

<b>Particulars</b>	<b>2010-2011</b>	<b>2009-2010</b>
Salary	<b>1,08,240</b>	1,05,135
Bonus	<b>8,400</b>	8,400
Leave Encashment	<b>21,347</b>	19,243
<b>Total</b>	<b>137,987</b>	132,778

- (11) The company had not received any intimation from "suppliers" regarding their status under the Micro, Small & Medium Enterprise Act, 2006, and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid or payable as required under said act, have not been given.
- (12) As per section 383A of the Companies Act, 1956 every company having paid up Capital of Rs. 50 Lacs or more are required to have whole time Company Secretary, The company does not have whole time secretary.
- (13) Schedule in terms of Paragraph 13 Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- (14) Previous year figures have been regrouped and rearranged wherever necessary.

Signatures to Schedules '1' to '15' forming part of the Accounts

As per our Report of Even Date  
For, **O. P. BHANDARI & CO**  
*Chartered Accountants*  
Firm Reg. No. 112633W  
**(O. P. Bhandari)**  
Proprietor  
Mem. No. 34409  
Place : Ahmedabad  
Date : 18th August, 2011

For & on Behalf of the Board

**Champalal Jangid** *Managing Director*  
**Raj Ratan Singhvi** *Director*  
**Ajit Bhavsar** *Director*

Place : Ahmedabad

Date : 18th August, 2011

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

1. Registration Details  
Registration No. (CIN) : U65910GJ1989PTC012142  
State Code : 04  
Balance Sheet Date : 31.03.2011
2. Capital raised during the year (Amount in Rs. In Thousands)  
Public Issue : NIL  
Rights Issue : NIL  
Bonus Issue : NIL  
Private Placement : NIL
3. Position of Mobilization and Deployment of Funds (Amount in Rs. In Thousands)  
Total Liabilities : 115374  
Total Assets : 115374  
Source of Funds  
Paid-up Capital : 101433  
Reserve & Surplus : 5407  
Secured Loans : 7338  
Unsecured Loans : NIL  
Deferred Tax Liability : 1196  
Application of Funds  
Net Fixed Assets : 7354  
Capital Work in Progress : 0  
Investments : 71409  
Net Current Assets : 36611
4. Performance of Company (Amount in Rs. in Thousands)  
Turnover : 7675  
Total Expenditure : 5115  
Profit Before Tax : 2560  
Profit After Tax : 1759  
Earning Per Share in Rs. : 0.17  
Dividend % : NIL
5. **GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY**  
Item Code No. : Not Applicable  
Product Description : No Applicable

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As per our Report of Even Date  
For, **O. P. BHANDARI & CO**  
*Chartered Accountants*  
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**(O. P. Bhandari)**  
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For & on Behalf of the Board  
**Champalal Jangid** *Managing Director*  
**Raj Ratan Singhvi** *Director*  
**Ajit Bhavsar** *Director*  
Place : Ahmedabad  
Date : 18th August, 2011

# ANNUAL REPORT 2010-2011

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

<b>PARTICULARS</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
<b>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES</b>		
Net Profit Before Taxes & Extraordinary Items	<b>2,560,236</b>	2,733,592
Adjustment for :		
Depreciation	<b>2,644,127</b>	2,398,365
Interest Paid on Loan	<b>909,719</b>	1,063,563
Taxes	<b>(1,426,057)</b>	(1,279,289)
Operating Profit Before WC changes	<b>4,688,025</b>	4,916,231
Adjustment for Working Capital changes:		
Receivables	<b>1,130,647</b>	1,044,413
Loans & Advances	<b>13,403,866</b>	26,424,650
Current Liabilities & Provisions	<b>(38,802)</b>	(821,661)
Net Cash from Working Capital changes	<b>14,495,711</b>	26,647,402
<b>Net Cash Flow from Operating Activities TOTAL - A</b>	<b>19,183,736</b>	31,563,633
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	<b>(351,898)</b>	(3,910,433)
Capital Work in Progress	—	(118,050)
Sale of Fixed Assets	—	—
(Purchase) / Sale of Investments	<b>(15,100,000)</b>	(26,300,000)
Interest Income	—	—
<b>Net Cash from Investing Activities TOTAL - B</b>	<b>(15,451,898)</b>	(30,328,483)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Term Loan taken from Bank	<b>(2,364,076)</b>	(2,143,053)
Car Loan from ICICI Bank	<b>(1,137,589)</b>	2,803,842
Interest paid on Loan	<b>(909,719)</b>	(1,063,563)
<b>Net Cash from Financing Activities TOTAL - C</b>	<b>(4,411,385)</b>	(402,774)
<b>Net increase / (decrease) in Cash or Cash Equivalents (A+B+C)</b>	<b>(679,547)</b>	832,376
Opening Cash or Cash Equivalents	<b>1,324,067</b>	491,691
Closing Cash or Cash Equivalents	<b>644,520</b>	1,324,067

As per our Report of Even Date  
For, **O. P. BHANDARI & CO**  
*Chartered Accountants*  
Firm Reg. No. 112633W  
**(O. P. Bhandari)**  
Proprietor  
Mem. No. 34409  
Place : Ahmedabad  
Date : 18th August, 2011

For & on Behalf of the Board

**Champalal Jangid** *Managing Director*  
**Raj Ratan Singhvi** *Director*  
**Ajit Bhavsar** *Director*

Place : Ahmedabad

Date : 18th August, 2011



**ANJANI FINANCE LIMITED**

Registered office : 27, Mahavir Jain Society, Bapu Nagar, Ahmedabad

**FORM OF PROXY**

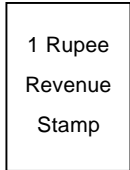
I/We \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ being a member/members of the above named Company hereby appoint

of \_\_\_\_\_ or failing him \_\_\_\_\_

of \_\_\_\_\_ as my /or proxy to

vote for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Friday, 30th day of September, 2011 at 3-00 p.m. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011.



Note : The proxy and the Power of Attorney (if any) under which it is signed or a notarially certified copy of that Power must be deposited at the Registered office of the Company at 27, Mahavir Jain Society, Bapunagar, Ahmedabad, not less than 48 hours before the date and time for holding the Annual General Meeting.

TEAR HEAR

**ANJANI FINANCE LIMITED**

Registered office : 27, Mahavir Jain Society, Bapu Nagar, Ahmedabad

**ATTENDANCE SLIP**

(to be handed over, duly filled in, at the Entrance of the Meeting Place)

Name of the attending Member/Proxy ( in block letters ) :

Member's Folio No / Client ID. No. :

No. of Shares held :

I hereby record my presence at the Annual General Meeting on

Friday 30th day September, 2011.

Place : Ahmedabad

\_\_\_\_\_  
Member's/Proxy's signature

BOOK-POST

To

*If undelivered, please return to :*  
**ANJANI FINANCE LIMITED**  
27, Mahavir Jain Society,  
Bapunagar, Ahmedabad