

**TWENTY FOURTH
ANNUAL REPORT
AND
ACCOUNTS**

2013-14

SANGHI CORPORATE SERVICE LTD.

12 Balmoral CHS Ltd., Ground Floor , Amritvan, Yashodham Goregaon (E) Mumbai – 400063

CIN: L67190MH1989PLC054086

SANGHI CORPORATE SERVICES LTD.

Regd. Off: Bal Moral Apartment, Plot No.12, Amritvan, Yashodham, Opp. Dindoshi Depot,
Goregaon (E), Mumbai - 400 063.

Tel: 28429501 / 28422703

Email ID: sanghi_mumbai@yahoo.com

CIN: L67190MH1989PLC054086

SANGHI CORPORATE SERVICES LTD

BOARD OF DIRECTORS

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

AUDITORS

Vivek R. Agarwal & Co.,
Chartered Accountants
Mumbai

REGISTERED OFFICE

12 Balmoral CHS Ltd., Ground Floor,
Amritvan, Yashodham,
Goregaon (E)
Mumbai: - 400063

NOTICE OF MEETING

(Pursuant to Section 101 of Companies Act, 2013)

NOTICE is hereby given that Twenty Fourth Annual General Meeting of the Members of **SANGHI CORPORATE SERVICES LTD.** will be held at G-30, Shagun Arcade premises Co-op Soc. Ltd., Gen A.K.Vaidya Marg, Dindoshi, Malad (E) Mumbai 400 097 on Saturday, 23rd Aug. 2014 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 2014 together with the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri. K Udaykumar, who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

1. To authorize Board of Directors of the Company for borrowing any sum or sums of moneys on such terms and conditions as the Board of Directors may think fit, provided that the total amount of money to be borrowed together with the moneys already borrowed by the Company shall not exceed the limit specified in the below mentioned resolution subject to approval of members in the meeting:

To consider and if thought fit to pass, with or without modification following resolution as Special Resolution:

“RESOLVED THAT pursuant to provisions of Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit, which together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of the business), may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/ moneys so borrowed by the Board shall not at any time exceed the limit of Rs. 2,00,00,000 (Rupees Two Crores Only).”

“RESOLVED FURTHER THAT Mr. Ashok Kumar Sanghi, Director of the Company be and is hereby authorized to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this resolution.”

EXPLANATORY STATEMENT IN PURSUANT TO SECTION 102 OF THE COMPANIES ACT,

2013:

Section 180(1)(c) of the Companies Act, 2013 requires that the Directors of the Company should obtain the consent of the Shareholders in the General Meeting to enable them to borrow moneys where the amount to be borrowed together with the amount already borrowed by the Company will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes.

Taking into account the requirement of additional funds, your directors feel that they should obtain consent from the Shareholders to borrow more funds. Accordingly, they have thought it desirable to obtain the consent of the Shareholders pursuant to Section 180(1)(c) of the Companies Act, 2013 to increase in the limit of borrowing powers of the Board of Directors to Rupees Two Crores, as is now proposed under the Special Resolution and to give the necessary powers to Board of Directors as required under Section 180(1)(c) of the said Act with reference to such enhanced limit.

The Directors recommend the approval of the Shareholders thereto.

None of the Directors is interested or concerned in this resolution.

By Order of the Board

Date: 12.07.2014

(A.K Sanghi)
Director

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 18th Aug., 2014 to 23rd Aug., 2014 (both days inclusive)
- c) Members desiring any information with respect to the accounts for the year ended 31st March 2014 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.

DIRECTORS REPORT

To,
The Members,
SANGHI CORPORATE SERVICES LIMITED.

Your Directors have pleasure in presenting the Twenty Fourth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2014.

FINANCIAL RESULTS

The financial results of the Company for the year ended 31st March 2014 are as follows:-

	31 st March 2014 (Rs.)	31 st March 2013 (Rs.)
Turnover	3,45,82,298	3,23,34,505
Profit /(Loss) After Tax	46,233	(10,44,528)
Less/Add: Balance brought forward	(2,50,82,912)	(240,38,384)
Balance carried to the Balance Sheet	(2,50,36,679)	(2,50,82,912)

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

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

- a) in the preparation of Annual accounts for the year ended 31st March 2014 the company has followed the applicable accounting standards with proper explanations relating to material departures, if any:

- b) 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 2014 and of the Profit/ loss of the company for that year.
- c) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the applicable provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) 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.

DEMATERIALISATION OF EQUITY SHARES

The Company’s shares are under dematerialization by NSDL/ CDSL under ISIN-INE998M01012

DIRECTORS

In accordance with the Companies Act, 1956 and the Articles of Association, Shri K. Udaykumar retires by rotation and being eligible offers herself for reappointment.

AUDITORS REPORT

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

AUDITORS

M/s Vivek R. Agarwal & Co., Chartered Accountants, Mumbai, who retire at the ensuing Annual General Meeting, being eligible, have given their consent for reappointment. The Directors recommend for their reappointment.

For and on behalf of Board

Place: Mumbai
Date: 12.07.2014

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 2014 is as under:

Name	Designation	No. of other Directorships and Committee Memberships / Chairmanship (excluding Pvt. Cos.)		
Shri A.K.Sanghi	Non Executive	NIL	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

4 Board Meetings were held during the year 2013-14. These meeting were held on 20-04-2013, 20-07-2013, 12-10-2013, and 11-01-2014. The attendance record of all the Directors at the Board Meeting and the last Annual General Meeting between 01-04-2013 to 31-03-2014 is as under:

Name	No. of BOD Meeting held	No of BOD Meetings attended	Attended last AGM
Shri A.K. Sanghi	4	4	Yes
Smt. Poonam Sanghi	4	4	Yes
Shri M.K.Saboo	4	2	Yes
Shri K. Uday Kumar	4	2	-

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 agreement.

5. **SHARE TRANSFER COMMITTEE**

The share transfer committee has been constituted consisting of three directors namely Shri A.K. Sanghi, Shri M.K.Saboo and Smt. Poonam Sanghi. Number of overdue pending share transfers as at 31-03-2014 were Nil.

6. GENERAL BODY MEETING

Location and time where last three Annual General Meeting held ;

No. of AGM	Venue	Date	Time
23 rd	G-30,Shagun Arcade Premises Co op Soc. Ltd. Gen A.K. Vaidya Marg, Dindoshi, Malad (E), Mumbai 400 097	07.09.2013	4.00p.m.
22 nd	12, Balmoral CHS Ltd., Ground Floor, Amritvan Yashodham, Goregaon[E], Mumbai- 63	22.09.2012	4.00p.m.
21 st	12, Balmoral CHS Ltd., Ground Floor, Amritvan Yashodham, Goregaon[E], Mumbai- 63	27.08.2011	4.00p.m.

All the resolutions were passed.

7. DISCLOSURES

- There are no materially significant related party transactions that would have potential conflict with the interests of the Company at large.
- A list of transactions with related parties as per Accounting Standard AS 18 is mentioned in Note No. 18 to the Audited Accounts.
- No penalty/ stricture was imposed on the Company by Stock Exchange, SEBI or any other authority, on any matter related to capital markets, during the last three years.

8. GENERAL SHAREHOLDER INFORMATION

- Annual General Meeting

Date: 23-08-2014

Time: 4.00 PM.

Venue: G-30,Shagun Arcade premises Co-op Soc. Ltd.
Gen A.K.Vaidya Marg, Dindoshi, Malad (E)
Mumbai 400 097

- Financial Year: April to March
- Date of Book Closure: 18th Aug 2014 to 23rd Aug 2014
- Dividend Payment Date : N.A.

- e) The equity shares of the Company are listed on The Stock Exchange, MUMBAI
- f) Stock Code: 511640
- g) ISIN: INE998M01012
- h) Market Price Data: During the year under review, company's shares were traded between Rs. 7.46 to Rs. 17.15 per share

9. REGISTRAR / SHARE TRANSFER AGENTS

The Company's share transfer and dematerialization work is handled by the Registrar & Share Transfer Agent, Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai-400072

10. SHARE TRANSFER SYSTEM

The share transfers are registered and returned within a period of 15 days from the date of receipt if documents are in order. The share transfers are approved by the share Transfer Committee.

11. DISTRIBUTION OF SHAREHOLDING [as on 31.3.2014]

Shareholding of Nominal Value [Rs.]	No. of Holders	[%] of Holders	Total Amount	[%] of Amount
UP TO 5,000	2,532	29.41	36,51,960	12.17
5,001 – 10,000	90	3.28	7,98,250	2.66
10,001 – 20,000	40	1.46	5,74,230	1.91
20,001 – 30,000	33	1.20	8,62,000	2.87
30,001 – 40,000	06	0.22	2,08,450	0.69
40,001 – 50,000	10	0.36	4,80,000	1.60
50,001 – 1,00,000	09	0.33	6,26,750	2.09
ABOVE 1,00,000	20	0.73	2,27,98,360	75.99
TOTAL	2,740	100.00	3,00,00,000	100.00

12. DEMATERIALISATION OF SHARES

The Company's shares are under dematerialization by NSDL / CDSL under ISIN: INE998M01012

VIVEK R. AGARWAL & CO.

CHARTERED ACCOUNTANTS

1, New Rajendra Park, Bldg No. IV, 2nd Floor, Station Road, Goregaon (W), Mumbai-400062

Tel: 2875 6553 / 28712585 E-mail: agarwalvivekr@gmail.com

Independent Auditor's Opinion

To,
The Members
SANGHI CORPORATE SERVICES LIMITED.

Report on the Financial Statements

We have audited the accompanying financial statements of **Sanghi Corporate Services Limited**, which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the general circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:

The Income Tax authorities conducted search and seizure operations at the premises of the Company on 18th June 1998 and the Management confirmed that certain documents were furnished to the Income Tax Department. We were further informed that certain person without Management's knowledge and proper authority opened and operated upon certain Bank Accounts in the name of the company under forged signatures and unauthorised resolutions to cover up certain unauthorised and illegal business transactions through false and forged invoices. The company has taken further action by filing complaints with the concerned Authorities. Pending complaint of enquiries and investigation, the extent of impact on the Company of the aforesaid fraudulent transactions could not be ascertained in absolute terms.

The Books of account, records and other relevant documents/papers pertaining to the aforesaid transactions routed through the said unauthorised bank accounts have not been produced to us and hence not examined by us.

However the Income Tax authorities have completed the Block Assessment up to the period of search and ascertained the liabilities to the extent of Rs. 3,60,47,377/- which has been disputed by the company before the higher authorities and the same has not been provided in the accounts.

- 1) 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;
- 2) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- 3) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- 4) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.; and
- 5) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- 6) In our opinion and to the best of our information and according to the explanation given to us, the accounts read together with the following notes as referred to in Note 18 of the Accounting Policies:-
 1. *Regarding the debtors*
 2. *Regarding Company Secretary*
 3. *Regarding Confirmation of Balance*

For Vivek R. Agarwal & Co.
Chartered Accountants

Place: Mumbai
Date: 12.07.2014

Vivek Agarwal
(Proprietor)
Membership No: 44372
FRN: 129058W

Annexure referred to in paragraph 3 of the Auditor's Report on the Accounts of Sanghi Corporate Services Limited

1. In respect of its Fixed Assets:-
 - a. There is no Fixed Assets during the year.
 - b. This clause is not applicable in view of clause a above.
 - c. This clause is not applicable in view of clause a above.
2. In respect of its inventories:-
 - a. As explained to us, inventories have been physically verified by the Management at regular intervals during the year.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory.
3. a. During the year, the Company has not granted any loans to parties listed in the register maintained under Section 301 of the Companies Act, 1956. However the Company has taken loans from its directors, the details of which are as follows:

No. of persons	Maximum Amount	Balance as on 31.3.2014
2	1,80,83,000	1,30,52,000

- b. In our opinion, the rate of interest and other terms on which the said loan have been taken are not, prima facie, prejudicial to the interest of the Company;
 - c. The terms of loan taken have not specified the repayment mode. Hence the question of regularity in payment of principal amount and interest as per the terms does not arise;
 - d. As per the information and explanation given to us the amount of loan taken is not overdue;
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory. During the course of our audit, we have not observed any major weakness in internal controls.
 5. Based on the audit procedure applied by us and according to the information and the explanations provided by the management, we are of the opinion that there are no transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956.
 6. The Company has not accepted deposits from the public.
 7. As explained to us Company has an internal audit system commensurate with its size and nature of its business.
 8. The Central Government of India has not prescribed the maintenance of cost records under Section 209(1)(d) of the Act for any of the services rendered by the Company.

9. In respect of statutory dues:
- a. According to the information and explanations given to us and as per the records examined by us there were no undisputed dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Cess which were in arrears as at 31st March 2014, for a period of more than six months from the date of becoming payable.
 - b. According to the information and explanations given to us, there are no dues of Sales Tax, custom duty, wealth tax, excise duty and cess which have not been deposited on account of any disputes except dues on account of Income Tax aggregating to Rs 3,60,47,377 (dispute whereof is pending before Income Tax Appellant Tribunal, Mumbai for the block assessment A Y 1988-1998)
10. The Company's accumulated losses at the end of the financial year are not less than fifty percent of its net worth. The company has not incurred cash loss during the financial year covered by our audit and has incurred cash loss in the immediately preceding financial year.
11. The company does not have any outstanding dues payable to any financial institution and debenture holders.
12. Based on our examination and according to the information and explanation given to us, the Company has not granted loans and advance on the basis of security by way of pledge of shares, debenture and other securities.
13. The company is not a chit/nidhi/mutual benefit fund/society and hence clause 4(xiii) of the order is not applicable.
14. Based on our examination and according to the information and explanation given to us proper records have been maintained of the transactions relating to trading in shares, securities and other instruments and timely entries have been made therein.
15. On the basis of the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions;
16. On the basis of the information and explanations given to us the Company has not taken any term loan.
17. On the basis of the information and explanations given to us the Company has not raised funds on short term basis.
18. During the year, the Company has not allotted shares to parties covered in the Register maintained under Section 301 of the Act.
19. The Company does not have any outstanding debenture during the year.
20. The Company has not raised any money by public issues during year.
21. Based on the audit procedure performed and information and explanations given to us by the management, we report that fraud on or by the Company has not been noticed or reported during the course of our audit.

For VIVEK R. AGARWAL & CO.
Chartered Accountants

PLACE: MUMBAI
DATED: 12.07.2014

VIVEK AGARWAL
(Proprietor)
FRN: 129058W

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS PER CLAUSE 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGE

To the Members of **Sanghi Corporate Services Limited**.

We have examined the compliance of conditions of Corporate Governance by Sanghi Corporate Services Limited for the year ended on 31.03.2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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 explanations given to us, we certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement for the year ended 31.03.2014.

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

For VIVEK R. AGARWAL & CO.
Chartered Accountants

VIVEK AGARWAL
(Proprietor)
FRN: 129058W

PLACE: MUMBAI
DATED: 12.07.2014

SANGHI CORPORATE SERVICES LIMITED
BALANCE SHEET AS AT 31.03.2014

Particulars	Note No.	On 31.03.2014		On 31.03.2013	
		Rs.		Rs.	
I EQUITY AND LIABILITIES					
(1) Shareholder's funds					
(a) Share Capital	1	30,000,000		30,000,000	
(b) Reserves & Surplus	2	(25,036,679)		(25,082,912)	
			4,963,321		4,917,088
(2) Non Current Liabilities					
Other Long term liabilities	3	661,778		661,778	
			661,778		661,778
(2) Current liabilities					
(a) Short term borrowings	4	13,052,000		9,452,000	
(b) Short - term provisions	5	5,660		-	
(c) Other current liabilities	6	100,648		25,000	
			13,158,308		9,477,000
TOTAL			18,783,407		15,055,866
II ASSETS					
(1) Non - Current Assets					
Other Non Current Asset	7	6,459,745		7,447,933	
			6,459,745		7,447,933
(2) Current Assets					
(a) Inventories	8	4,131,706		2,346,265	
(b) Trade receivables	9	7,326,432		4,383,709	
(c) Cash & cash equivalents	10	19,784		31,138	
(d) Short term - loans and advances	11	838,998		833,338	
(e) Other current assets	12	6,742		13,483	
			12,323,662		7,607,933
TOTAL			18,783,407		15,055,866
<i>SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS</i>	18				

*Notes referred to above and attached there to form an integral part of Balance Sheet
This is the Balance Sheet referred to in our Report of even date.*

FOR VIVEK R. AGARWAL & CO.
CHARTERED ACCOUNTANTS

FOR SANGHI CORPORATE SERVICES LIMITED

VIVEK R. AGARWAL
Proprietor
M.No. : 044372
F.R.No: 129058W

A.K.SANGHI
Director

P. SANGHI
Director

M.K.SABOO
Director

Place : Mumbai
Date : 12.07.2014

SANGHI CORPORATE SERVICES LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2014

	PARTICULARS	Note No.	Upto 31.03.2014		Upto 31.03.2013	
			Rs.		Rs.	
I	INCOME					
	Revenue from operations	13	34,582,299		32,334,505	
	Other Income	14	16,557		30,620	
	Total Revenue (I + II)			34,598,856		32,365,125
II	Expenses					
	Purchases of Stock in Trade	15	34,931,331		33,242,253	
	Changes in inventories of finished goods, work in progress and Stock-in- trade	16	(1,785,441)		(620,777)	
	Other expense	17	1,406,733		788,175	
	Total Expense			34,552,623		33,409,651
III	Profit before tax (VII-VIII)			46,233		(1,044,526)
VI	Tax expense:					
	(1) Current tax (MAT Payable)		5,660		-	
	LESS: MAT Credit Entitlement		(5,660)		-	
	Net Current Tax Liability		-		-	
	(2) Deferred tax		-		-	
V	Profit/(Loss) for the period (XI + XIV)			46,233		(1,044,526)
VI	Earnings per equity share:					
	(1) Basic			0.02		-
	(2) Diluted			0.02		-

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS 18

*Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement
This is the Profit & Loss Statement referred to in our Report of even date.*

FOR VIVEK R. AGARWAL & CO.
CHARTERED ACCOUNTANTS

FOR SANGHI CORPORATE SERVICES LIMITED

VIVEK R. AGARWAL
Proprietor
M.No. : 044372
F.R.No: 129058W

A.K.SANGHI
Director

P. SANGHI
Director

M.K.SABOO
Director

Place : Mumbai
Date : 12.07.2014

SANGHI CORPORATE SERVICES LIMITED
CASH FLOW STATEMENT

	31 ST MARCH	31 ST MARCH
	2014	2013
<u>A) CASH FLOW FROM OPERATING ACTIVITES:</u>		
Net Profit before Tax & Extra-ordinary Items	46,233	(1,044,528)
Adjustment for		
Sundry Balance w/off	813,187	-
Amortization expenses	175,000	175,000
Other Income (considered separately)	16,557	30,620
Operating Profit/(Loss) before working Capital chages	1,017,863	(900,148)
Add: Working Capital Changes:-		
i) (Increase)/Decrease in Inventories	(1,785,441)	(620,776)
ii)(Increase)/ Decrease in Debtors/ Loan & Advances	(2,942,723)	(4,397,192)
iii)(Increase)/ Decrease in Short term - loans and advances	(5,660)	-
iv)(Increase)/ Decrease in other current assest	6,741	-
V) Increase/(Decrease) in Short term borrowings	3,600,000	-
VI) Increase/(Decrease) in Short - term provisions	5,660	-
VII) Increase/(Decrease) in Other current liabilities	75,648	5,911,492
	(1,045,775)	893,524
Net Cash Flow from Operating Activites	(27,912)	(6,624)
<u>B) CASH FLOW FROM INVESTMENT /OTHER ACTIVITIES</u>		
(Increase)/Decrease in Investment	-	-
Other Income	16,557	30,620
Net Cash Flow From Investment Activities	16,557	30,620
<u>C) INCREASE IN CASH OR CASH EQUIVALENTS</u>	(11,355)	23,996
Opening Cash & Cash Equivalent	31,138	7,142
Closing Cash & Cash Equivalent	19,783	31,138
	(11,355)	23,996

A.K.SANGHI
Director

P. SANGHI
Director

M.K. SABOO
Director

AUDITOR'S CERTIFICATE

We have examined the attched Cash Flow Statement of Sanghi Corporate Services Ltd.for the year ended 31.3.2014. The statement has been prepared by the Company in accordance with the requirement of Clause 32 of the listing agreement with the stock Exchange and is based on and in agreement with the Corresponding Profit & Loss Account and the Balance Sheet of the Company covered by our report dated 12 July 2014 to the members of the Company.

For Vivek R. Agarwal & CO.
Chartered Accountants

Place :Mumbai
Date : 12.07.2014

(Vivek Agarwal)
Proprietor
F.R.No: 129058W

SANGHI CORPORATE SERVICES LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2014

1 SHARE CAPITAL

(Amount in Rupees)

Particulars	As at March 31,2014	As at March 31,2013
Authorized		
70,00,000 Equity shares of Rs. 10 /- each with voting right	70,000,000	70,000,000
	<u>70,000,000</u>	<u>70,000,000</u>
Issued, Subscribed and Paid Up		
30,00,000 Equity shares, Rs. 10/- each fully paid up.	30,000,000	30,000,000
TOTAL	<u>30,000,000</u>	<u>30,000,000</u>

a) The details of shareholders holding more than 5% shares is set out below :

Name of the shareholders	No. of shares held at March,31,2014	%	No. of shares held at March,31,2013	%
a) Ashok Kumar Sanghi	427,910	14.26%	427,910	14.26%
b) Poonam Sanghi	378,410	12.61%	364,110	12.14%
c) Nishma Sanghi	359,170	11.97%	345,870	11.53%
d) Swati Sanghi	383,830	12.79%	359,630	11.99%

b) The reconciliation of the number of shares outstanding is set out below :

Particulars	As at March 31,2014	As at March 31,2013
Number of shares at the beginning	3,000,000	3,000,000
Add: Shares issued during the year	-	-
Number of shares at the end	<u>3,000,000</u>	<u>3,000,000</u>

c) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares & pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) The company has not issued any bonus shares or any shares for consideration other than cash, nor the company has bought shares during the period of five year immediately preceeding the pervious year

2 RESERVES & SURPLUS

Particulars	As at March 31,2014	As at March 31,2013
Surplus		
Opening Balance	(25,082,912)	(24,038,384)
Add: Net profit after tax transferred from statement of profit & loss	46,233	(1,044,526)
Closing Balance	(25,036,679)	(25,082,912)
TOTAL	<u>(25,036,679)</u>	<u>(25,082,912)</u>

3 OTHER LONG TERM LIABILITIES

Particulars	As at March 31,2014	As at March 31,2013
Other Long - term liabilities	661,778	661,778

4 SHORT TERM BORROWING

<u>Particulars</u>	<u>As at</u> <u>March 31,2014</u>	<u>As at</u> <u>March 31,2013</u>
<u>Loans and advances from related parties:</u>		
Directors	13,052,000	9,452,000
TOTAL	13,052,000	9,452,000

5 SHORT TERM PROVISION

<u>Particulars</u>	<u>As at</u> <u>March 31,2014</u>	<u>As at</u> <u>March 31,2013</u>
Provision For Income Tax (MAT AY. 2014-15)	5,660	-
TOTAL	5,660	-

6 OTHER CURRENT LIABILITIES

<u>Particulars</u>	<u>As at</u> <u>March 31,2014</u>	<u>As at</u> <u>March 31,2013</u>
<u>Other payables</u>		
Others	100,648	25,000
TOTAL	100,648	25,000

7 OTHER NON CURRENT ASSETS

Particulars	As at	
	March 31,2014	March 31,2013
(a) Long-term trade receivables		
Unsecured, considered doubtful	5,934,745	6,747,933
(b) Others		
Unamortised Membership Fees	525,000	700,000
TOTAL	6,459,745	7,447,933

8 INVENTORIES

Particulars	As at		As at	
	March 31,2014		March 31,2013	
	Quantity	Value	Quantity	Value
Balrampur Chini	500	27,521	10,000	436,000
Bharti Airtel Limited	3,400	1,069,939	100	29,175
DLF	-	-	200	46,940
Elecon Engineering co. Ltd.	3,000	90,398	800	24,600
Finolex Industries	-	-	500	47,950
HEG	500	93,961	300	50,460
J P Associates	24,800	1,244,099	4,100	268,345
Jyoti Structures	9,750	271,353	5,250	142,800
Mujal showa ltd	-	-	2,500	143,125
Reliance Industries	100	80,392	-	-
REL Power	9,268	654,095	11,200	688,800
REL Capital Limited	600	196,270	1,400	437,780
Sesa sterlite	2,000	370,507	-	-
Sterlite Tech Ltd	1,800	33,171	1,300	30,290
TOTAL		4,131,706		2,346,265

9 TRADE RECEIVABLES

Particulars	As at	
	March 31,2014	March 31,2013
Others		
Unsecured, Considered good	7,326,432	4,383,709
TOTAL	7,326,432	4,383,709

10 CASH & CASH EQUIVALENTS

Particulars	As at	
	March 31,2014	March 31,2013
(a) Balances With Banks in:		
Current Accounts	14,260	7,374
(b) Cash in Hand	5,524	23,764
TOTAL	19,784	31,138

11 SHORT TERM LOANS & ADVANCES

Particulars	As at	
	March 31,2014	March 31,2013
Unsecured, Considered good		
Other Loans & Advances :		
Advance Income Tax (Net of Provision)	388,644	388,644
Income -Tax Block Assessment	404,800	404,800
MAT Cerdit	45,554	39,894
TOTAL	838,998	833,338

12 OTHER CURRENT ASSETS

Particulars	As at	
	March 31,2014	March 31,2013
Prepaid Expenses	6,742	13,483
TOTAL	6,742	13,483

SANGHI CORPORATE SERVICES LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2014

The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation.

13 REVENUE FROM OPERATIONS

Particulars	As at March 31,2014	As at March 31,2013
i) Sale of shares	34,424,758	31,132,620
ii) Profit From Trading in F/O	-	1,007,862
iii) Reversal of Brokreg	140,211	172,698
iv) Reverse of ST	17,330	21,325
TOTAL	34,582,299	32,334,505

14 OTHER INCOME

Particulars	As at March 31,2014	As at March 31,2013
<u>Other Non Operating Income</u>		
i) Dividend	16,557	30,520
ii)Miscellaneous Income	-	100
TOTAL	16,557	30,620

15 PURCHASES OF STOCK IN TRADE

Particulars	As at March 31,2014	As at March 31,2013
Purchase of shares	34,833,691	33,148,327
ST	41,136	39,120
STT	56,504	54,806
	34,931,331	33,242,253

16 CHANGES IN INVENTORIES

Particulars	As at March 31,2014	As at March 31,2013
<u>STOCK IN HAND</u>		
Opening Stock	2,346,265	1,725,488
Closing Stock	4,131,706	2,346,265
Change in Stock	(1,785,441)	(620,777)

17 OTHER EXPENSES

Particulars	As at March 31,2014	As at March 31,2013
(a) Rent	168,000	150,000
(b) Auditors Remuneration (Refer details below)	20,000	17,500
(c) Sundry Balance w/off	813,187	-
(d) Miscellaneous expenses	405,546	620,675
TOTAL	1,406,733	788,175

Auditors Remuneration	As at March 31,2014	As at March 31,2013
As an Auditor:		
Audit fee	10,000	10,000
Tax audit fee	10,000	7,500
	20,000	17,500

SANGHI CORPORATE SERVICES LIMITED

NOTE 18:

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH 2014 AND THE PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON THAT DATE.

A. SIGNIFICANT ACCOUNTING POLICIES

1) BASIS OF ACCOUNTING

The Company prepares its accounts on accrual basis, otherwise stated, in accordance with the normal accepted accounting policies as well as the requirements of the Companies Act, 1956.

2) INVENTORIES

Inventory of Shares is valued at lower of cost or market value.

3) TAXES ON INCOME

Provision for Current Tax (MAT) is estimated on the basis of tax payable in accordance with the Income Tax Act, 1961. The current tax (MAT) for the year is eligible to be carry forward and get set off in succeeding 10 year or earlier.

4) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

5) Revenue Recognition

Sales are recognised at the time of sale of share. Dividend income is accounted for when the right to receive it is established.

B. NOTES TO ACCOUNT

1) No provision has been made in respect of income tax liability of Rs.3,60,47,377/- determined on account of Block assessment up to 18th June, 1998 pursuant to search operation carried out by the Income Tax Authorities as the same has been disputed by the company before the higher authorities.

2) Long Term Trade receivables exceeding six months include Rs.59,34,745/- (after written off of Rs. 8,13,187/- during the year) due for recovery for a period of more than thirty six months and above and have become time barred under Limitations Act, 1963 for recovery thereof. No action, legal or otherwise, has been initiated by the Management. However, in the opinion of the Board all the debtors are good for recovery.

3) The Company did not have a Secretary during the year as required pursuant to the provisions of section 383-A of the Companies Act 1956.

4) The balance of Trade payable under Other Long term liabilities accounts appearing in Liabilities remain unrecognized and are subject to such rectification as deem fit on reconciliation/ confirmation.

5) During the year under review the Company has carried out business transaction in shares only, and hence there is no separate business segment reporting as per Accounting Standard 17 issued by the Institute of Chartered Accounts of India.

6) Earnings per Share:

Particulars	31 st March, 2014	31 st March, 2013
	Rs.	Rs.
Profit/(Loss) after tax as per Profit & Loss Account (A)	46,233	(10,44,528)
Number of Equity Shares (B)	3,000,000	3,000,000
Earnings per Share (A/B)	0.02	NIL

7) Related parties disclosure

- (A) 1. Other related parties where control exists: NIL
 2. Key management personnel and their relatives:
 Shri A.K Sanghi
 Smt. Poonam Sanghi
 Shri M.K.Saboo
 Shri K.Udaykumar

Note: Related parties' relationships as identified by the Company and relied upon by the Auditors.

(B) Transactions carried out with related parties referred above:

Sr. No.	Name of related Parties	Nature of relationship with the company	Nature of transaction with related party	Balance as on 31.03.2014
1.	Ashok Kumar Sanghi	Director	Loan to Company	1,05,15,000
2.	Poonam Sanghi	Director	Loan to Company	25,37,000

8) Quantitative information with regards to trading activities:-

(Value Rs.in Lacs)

Particular	Opening Stock		Purchase		Sales		Closing Stock	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Shares (C.Y.)	37650	23.46	331628	348.33	313560	344.25	55718	41.32
Shares (P.Y.)	20450	17.25	4,64,565	331.48	4,47,365	311.33	37650	23.46

- 9) Information pursuant to Paragraph 4A and 4D of Part II of Schedule VI of the Companies Act, 1956 is not applicable to the Company.
- 10) Previous year's figures have been rearranged/ regrouped wherever necessary.
- 11) Based on the information / documents available with the company, sundry creditors includes total outstanding due to Micro & Small Enterprises of which:
 a. Amounts overdue on accounts of principal and / or Interest: **NIL**
 b. Name of the parties to whom the company owe any sum outstanding for more than 30 days but not overdue: **NIL**

As per our report of Even Date

For Vivek R. Agarwal & Co.

Chartered Accountants

(Vivek Agarwal)
 (Proprietor)
 FRN: 129058W

(A. K. Sanghi)
 (Director)

(P. Sanghi)
 (Director)

(M.K. Saboo)
 (Director)

Place: Mumbai
 Date: 12.07.2014

SANGHI CORPORATE SERVICES LTD.

Regd. Off: Bal Moral Apartment, Plot No.12, Amritvan, Yashodham, Opp. Dindoshi Depot,
Goregaon (E), Mumbai - 400 063.

Tel: 28429501 / 28422703

Email ID: sanghi_mumbai@yahoo.com

CIN: L67190MH1989PLC054086

Date: 29/10/2014
ST IMF LIS

To,

The Stock Exchange, Mumbai
1st Floor, Rotunda Bldg.,
B.S.Marg, Fort,
Mumbai - 400 023.

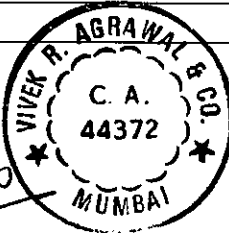
Kind Attn : Mr. Rakesh Parekh-Research & Publication Department

Dear Sir,

Sub : Submission of Annual Report for the financial year ended 2013 – 2014.

Form A

Covering Letter of the Annual Audit Report to be filled with Stock Exchange

1.	Name of the Company	Sanghi Corporate Services Limited
2.	Annual Financial Statements for the year ended.	31.03.2014
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	N.A.
5.	To be signed by- <ul style="list-style-type: none">• CEO/Managing Director } • CFO • Auditor of the Company • Audit Committee Chairman	<p>Aspl Annual M.S. Saw</p> 

This is with reference to your e-mail dated 21.10.2014 regarding non-submission of Form A/B with the Annual Report for the financial year ended 31.03.2014 pursuant to clause 31(a) of Listing Agreement with the stock Exchange, Mumbai. We have already submitted six copies of the Annual Report along with Directors Report for the year 2013-2014 as approved at the Annual General Meeting of the Company held on 23.08.2014 vide our letter dated 23/08/2014.

The applicable Form A (i.e., covering letter of the Annual Audit Report) is submitted as above.

Kindly acknowledge receipt of the same.

Thanking you.

Yours faithfully,

For SANGHI CORPORATE SERVICES LTD.

Aspl
A.K. SANGHI
(DIRECTOR)