

Poonam Corporation Limited

16th
Annual Report
2005 - 2006

16th Annual Report, 2006

BOARD OF DIRECTORS

SRI PAWAN MODI
SRI SUNIL KR. PUROHIT
SRI S. B. MUKHERJEE
SRI PRADEEP GARG
SRI AVIJIT DEY

AUDITORS

M/S. S. K. DAS & ASSOCIATES
Chartered Accountants
Kolkata

COMPLIANCE OFFICER

SRI P. K. GARG

REGISTERED OFFICE

137, DADISETH AGIARI LANE
2ND FLOOR, OFFICE NO. 20
KALBADEVI
MUMBAI - 400 020

NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of Poonam Corporation Limited will be held at 137, Dadiseth Agiari Lane, 2nd floor, Office No. 20, Kalbadevi, Mumbai - 400 020 on Thursday, September 28, 2006 at 11.00 a.m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2006 and the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and the Auditors thereon.
2. To appoint Directors in place of Mr. Pradeep Kr. Garg and Mr. Avijit Dey, Directors who retire by rotation and being eligible, offer themselves for re-appointment.
3. To appoint M/s S K Das & Associates, Chartered Accountants as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

4. Alteration to Objects Clause

To consider, and if thought fit, to pass, with or without modification the following resolution as a **Special Resolution (to be voted on by postal ballot)** :

“RESOLVED THAT in accordance with the provisions of Section 17 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the Memorandum of Association of the Company be and is hereby altered in the following manner :

(I) Sub-clause 1 of the Main Objects Clause III (A) of the Memorandum of Association of the Company be and is hereby substituted by the following sub-clause 1 :

- ‘1. To engage in and conduct business in Information Technology sector, Computer Hardware & Software, Telecommunication in India and/or abroad and to buy, sell, franchise, license, supply, market, deal in, import, export, design, develop, customize, improve all types of telecommunication, hardware & software systems, products, programmers & their applications and carry out off-site and on-site software development in India and abroad including on internet; to develop, supply, improve, design, market, sell, license, maintain, operate, provide and deal in internet multimedia, internet, e-commerce, -e-magazines and of news, articles, information on electronic media on daily, weekly, fortnightly or monthly basis and other related methods of electronic communications and data transfer and networking and all allied fields and activities in information technology; to act as an internet service provider or as channel service provider providing services inter-alia in the field of web housing, web designing, web hosting, web marketing, internet training and internet solutions and also to provide server technology, internet network technology and to carry out other web related activities to provide services in the field of OPT IN – Mail and date based management and marketing; to offer integrated services in the field of electronics, telecommunications such as integrated digital network, VOIP networks, private networks, internet, extra-net, internet based solution.’

(II) The existing sub clauses 2 to 6, 48 and 58 to 60 under the incidental objects clause III (B) be and are hereby deleted therefrom and instead the following sub clauses have been inserted;

- '2. To undertake turnkey projects for developing computer software and application systems; to act as off-site development centre; to provide services on data migration, re-engineering, data warehousing and enterprise recourse planning; to provide on-site information technology and to undertake services in recruitment, placement.'
- '3. To develop, supply, readymade or tailor-made software, to act as software consultants; to support software and hardware systems for business to business transaction on the internet or otherwise; to create multiple exchanges for business to business transactions worldwide; to organize the supply of manpower for IT projects and to offer aids for its effective implementation.'
- '4. To set-up own, run, maintain, manage, let, license or otherwise franchise zone, centers and parks, to provide services in cyber-media presentation, internet remote services, e-mail server and services, web page designing, web site holding, web-server and services, video conferencing and to act as Internet Service Providers (IPS) and any other form of electronic or digital formats.'
- '5. To design, analyse, buy, distribute and deal in all kinds of computer and communication equipments including programmable logic controllers, process control equipments and instrumentation, CNC machines, CAD/CAM/CAE machines and software, artificial intelligence software, internet device, robots, facsimile machines, database management systems, operating systems, on-line and real-time systems, high speed data processing and transmitting machines, medical electronic equipments like scanners and sonographs.'
- '6. To organize information cell and data bank and to disseminate and/or sell information by undertaking and/or providing for various marketing companies, call centers, business process outsourcing entrepreneurs or to the publishers either on electronic format or manual methods.'
- '48. To set-up, operate, own, run, maintain, manage, let, license or otherwise franchise zones, centers and parks, to provide service in the field of cybermedia presentation, internet remote services, e-mail server and services, web page designing, web site holding, web server and services, video conferencing and Internet Service Provider (ISP) an any other form of electronic or digital programmers and program for general viewership through high-technology and networking and for this purpose, provide all kinds of administrative infrastructure, secretarial services, catering services and other supporting services as may be necessary or expedient for conducting the aforesaid business of the Company.'
- '58. To establish, organize, maintain, support, assist and/or conduct training classes and other educational programmers; to organize lectures, seminars, training and symposiums on information technology, softwares, computer subjects, its manufacturing and related technologies of all other industries and to award degrees, diplomas and certificates to trainees, student and other persons.'
- '59. To establish, promote, organize, support and maintain clubs and associations of students and trainees for further advancing of their knowledge and experiences in all or any of the above topics.'
- '60. To own, manage and run computer training and data processing centre and to act as developers in computer programming, system development, system design, system architecture, software designing, computer aided designs, data compilation, statistical analysis and providing technical consultation service.'

(III) The existing sub clause 1 under the Main Objects clause III (A) be and is hereby shifted to Other objects clause III(C) and is renumbered as sub- clause 75.

(IV) Clause III (C) of the Memorandum of Association of the Company be amended by inserting after sub-clause 75 the following new sub-clause :

'76. To carry on the business of Exporters, Importers, Manufacturers, Traders, Dealers, Indenters, Agents, of and in all kinds of textiles cloths, cotton, silk, woolen synthetic made up including garments, suitings, and shirtings, leather, leather cloths and other leather goods, Rubber & Rubber products, handicrafts, hosieries, carpets, Jute & Jute products, plantation crops, i.e., tea, cotton, coffee, tobacco, vegetables, fruits, food and other eatables, sugar, marine products, spices, kiranas, pickles, ketchups, cigarettes, and in all kinds of machineries, stores and spare parts required in connection therewith.'

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company is hereby authorised to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard."

5. Commencement of New Business

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

"RESOLVED THAT approval be and is hereby accorded pursuant to Section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956 to the Company commencing and carrying on as and when its Board of Directors may think fit all or any of the businesses and activities specified in sub-clause 1 in Clause III (A) and sub-clause 76 in Clause III (C) of the Memorandum of Association of the Company as altered."

6. Change of name of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 21 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, consent of the Company be and is hereby granted for changing the name of the Company from "POONAM CORPORATION LIMITED" to "SHYAMA INFOSYS LIMITED" and consequently the new name "Shyama Infosys Limited" shall appear in the Memorandum and Articles of Association of the Company and that the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof for time being exercising the powers conferred on the Board by this Resolution), be and is hereby authorised to do all such acts and things and deal with all such matters and take all such steps as may be necessary to give effect to this resolution."

NOTES :

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a Member of the Company. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out the material facts is annexed hereto.

3. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2006 to September 28, 2006 (both days inclusive).
4. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. up to the date of the ensuing Annual General Meeting.
5. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The transactions at Serial No. 4 require consent of the Members only through Postal Ballot. The Notice under Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001 is being dispatched to the members.

Mumbai, August 24, 2006

Registered Office :

137, Dadiseth Agiari Lane,
2nd floor, Office No. 20,
Kalbadevi, Mumbai 400 020

By Order of the Board
For Poonam Corporation Limited

Sd/-
Pradeep Kr. Garg
Director

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF THE ANNUAL GENERAL MEETING OF THE COMPANY PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item Nos. 4 & 5

Alteration to Objects Clause and Commencement of New Businesses

Your directors keep considering various proposals as an ongoing endeavour to diversify into certain new and profitable business ventures, as in the fast changing business and economic environment, it is imperative for every company to keep examining various opportunities and different businesses to ensure growth momentum and overall enhancement of shareholder value.

The Company was formed to carry on the business of drugs, pharmaceuticals and intermediates of all types of chemicals but could not run the same successfully due to lack of confidence in this line of business. Since last 6 months, the scenario of Information Technology sector & Textiles has shown positive growth in the overall economy. The volume of business activities has also increased beyond imagination. The business prospect in the line of Information Technology sector & Textiles looks more economically viable in comparison to drug. So, the Board of Directors of the Company at their meeting held on March 1, 2006 has decided to change the line of business.

Your directors are of the view that it will be beneficial for the Company and the shareholders that the Company should diversify its activities. To enable the Company to take these new lines of activities in due course, as and when considered appropriate by the Board of Directors, alteration in the Object Clause of the Memorandum of Association of the Company is necessary.

Since the above amendment comes within the ambit of Section 17 of the Companies Act, 1956, your approval is sought under the provisions of section 192A of the said Act read with the provisions of the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001, by voting by postal ballot.

In terms of Section 149(2A) of the Act, any business which is not germane to the existing business of the Company cannot be commenced by the Company until such commencement has been approved by the Company in General Meeting by a Special Resolution and until a duly verified declaration in the prescribed form has been filed with the Registrar of Companies, Maharashtra.

A copy of the Memorandum of Association of the Company showing proposed alteration is available for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. up to the date of the ensuing Annual General Meeting.

Your Directors recommend the resolutions at Item Nos. 4 and 5 for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the said resolutions.

No. 6

Change of name of the Company

The Company proposes to alter the objects clause in the Memorandum of Association of the Company so as to enable the Company to carry on the business of an 'Information Technology' Company. In order to reflect all the objects of the Company as permitted by its Memorandum of Association, it is proposed to change the name to 'Shyama Infosys Limited'. Registrar of Companies has made the said name available for change of the name of the Company.

Necessary Special Resolution as required under Section 21 and other applicable provisions of the Companies Act, 1956 is therefore proposed at Item No. 6 of the accompanying notice.

Your Directors recommend the said resolution for your approval.

A copy of the letter of Registrar of Companies referred to above is available for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. up to the date of the ensuing Annual General Meeting.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Mumbai, August 24, 2006

Registered Office :
137, Dadiseth Agiari Lane,
2nd floor, Office No. 20,
Kalbadevi, Mumbai 400 020

By Order of the Board
For Poonam Corporation Limited

Sd/-
Pradeep Kr. Garg
Director

DIRECTORS' REPORT

To,
The Members

POONAM CORPORATION LIMITED

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

FINANCIAL RESULTS

	<u>2005-2006</u>	(Amount in Rs.) <u>2004-2005</u>
Gross Income (Loss)	(4,15,171)	56,346
Depreciation	24,298	21,168
Profit & (Loss) before Taxation	(3,90,873)	35,178
Provision for Taxation	2,500	1,50,000
Deferred Tax Liabilities	—	(1,08,960)
Profit / (Loss) After Taxation	(3,93,373)	(5,862)
Loss carried to Balance Sheet	(25,83,060)	(21,89,687)

DIVIDEND

The directors are unable to declare any dividend on account of losses incurred by the Company.

PROJECT IMPLEMENTATION AND PROSPECTS

The Company's project have not become viable since there is huge competition in the field of manufacturing of drug formulation which became very cheap due to liberalization of Government policy towards the imports of raw materials which the company had planned. Further the project were delayed due to the delay in receipt of various permission and also considerable amount towards the allotment money and adverse factors leading to complete stoppage of the project and also presence of various multinational company also trading the generic product which leads to increase the competition in the field of trading activities of pharmaceuticals product which leads to complete stoppage of company trading activities. The thrust of business during the year after passing through the consideration period has lead to lowering of the profitability in this sector. Your director also looking forward to exploit the business opportunity in the field of computer hardware & software trading in the mean time, whereas the surplus fund are utilized in stock market operation (purchase & sell of shares) but due to certain adverse factor in the market the company sustained heavy loss. Anyway your directors are enter into Computer hardware & software Sector and detailed Enquiries have been made regarding viability of Projects & Market Prospects.

DISCLOSURE OF INFORMATION PURSUANT TO SECTION 217(1) (E) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988

The Company has not commenced any manufacturing activity during the period under review and as such the requirement under the aforesaid rules for the disclosure of information as regards conservation of energy and technology absorption is not applicable to the Company. The Company has not carried on during the year under review any activity relating to exports and has not used or earned any foreign exchange.

FIXED DEPOSIT

The Company has not accepted any deposits under the provision of section 58A of the Companies Act, 1956.

EMPLOYEES

The particulars pursuant to section 217(A) of the Companies Act, 1956 are not required since none of the employees are drawing remuneration exceeding the prescribed limits.

DIRECTORS

Shri Avijit Dey & Shri Pradeep Kr Garg retire by rotation and being eligible offer themselves for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that :

- (i) in the preparation of the accounts for the financial year ended 31 st March, 2006, the applicable accounting standards have been followed along with proper explanation relating to material departure ;
- (ii) the Directors have 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 State of affaires of the company at the end of the financial year and of the profit or loss of the company for the year under review ;
- (iii) the directors have 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) the Directors have prepared the accounts for the financial year ended 31st March 2006 on a going concern basis.

COMPLIANCE CERTIFICATE

A certificate from the auditors of the company regarding compliance of conditions of corporate governance as stipulated under clause 49 of the Listing Agreement is attached to this report.

The observation made by the Auditors in their Audit Report and / Notes on Account are self-explanatory.

AUDITORS

M/s. S.K.Das & Associates, Chartered Accountants, Calcutta, Auditors of the Company being eligible for reappointment expressed their willingness for appointment to the office of Auditor's Your Board of Directors recommend M/s. S. K. Das Associates, Chartered Accountants, Calcutta for being reappointed as Auditors of the Company in accordance within the limits as prescribed under section 224(1B) of the Companies Act, 1956 and shall hold office till the conclusion of Next Annual General Meeting of the company.

ACKNOWLEDGEMENTS

Yours Directors place on records their gratitude and thanks for the co-operation and support of Banks, Governmental Agencies, Business Associates and employees.

By Order of the Board

Sd/-

Pradeep Kr. Garg

Director

Place : Mumbai

Dated : 24th August, 2006

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement a report on Corporate Governance is given below :-

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

PCL has been endeavouring to practice good Corporate Governance since its inception and has always acted as a good corporate citizen. It bestows value on transparency, accountability and professional and its concern for shareholders, depositors, customers and employees had always been its priority. It has complied with the relevant regulations prescribed by authorities from time to time.

A report on the practices prevalent in Corporate Governance at PCL is placed below :

BOARD OF DIRECTORS

The Board of Directors is comprised of 5 Directors and all are non-executive Directors. The company has got plans to enter into Software & Textile Sector and is looking for professionals to be inducted on the board to make it broad base. Normally the Board Meetings are held at the registered office situated at Mumbai and some times at the corporate office at Kolkata . The Board of Directors meet often as required. The agenda papers are prepared and circulated to them in advance.

None of the Directors on the Board is a member in more than ten Committees and they do not act as Chairman of more than five Committees across all Companies in which they are Directors.

The members of the Board have access to all the information relating to the Company and are free to suggest / recommend of any matters for the efficient governance of the Company.

The Composition of the Board of Directors as on March 31, 2006 along with details of meeting held/attended are summarized below :

Name of Directors	Category of Directorship	No. of Board Meetings Attended	No. of Directorship held	Attendance at the last AGM
Shri Pawan Kumar Modi	Non Executive Director	9	2	Yes
Shri Sunil Kumar Purohit	Non Executive Director	7	1	Yes
Shri S. B. Mukherjee	Non Executive Director	7	3	Yes
Shri Pradeep Garg	Non Executive Director	9	1	Yes
Shri Avijit Dey	Non Executive Director	5	1	Yes

The Board met 9 times during the Year 2005-2006. The dates of the said meeting are as follows :-

12th April, 2005

29th April, 2005

15th May, 2005

29th July, 2005

17th August, 2005

28th October, 2005

17th December, 2005

30th January, 2006

1st March, 2006

Term of office of Directors

Pursuant to the applicable provisions of the Companies Act, 1956 two third of the directors are to retire by rotation and one third of those directors are required to retire every year and if found eligible, may seek reappointment at the Annual General Meetings.

Pursuant to the applicable Provisions of the Companies Act, 1956 Shri Pradeep Garg & Shri Avijit Dey, Directors are retiring by rotation at the ensuing Annual General Meeting and being eligible, offers them self for reappointment. The Board of Directors recommends the reappointment of Shri Pradeep Kr. Garg & Shri Avijit Dey as Directors of the Company.

Audit Committee

The Audit Committee comprises of Shri Pawan Kumar Modi, Chairman of the Committee, Shri Pradeep Kr. Garg and Shri Avijit Dey. All the Directors are independent directors. The Committee Comprises of qualified and experienced directors having knowledge in finance, Accounts, Company Law and other related subjects. The Constitution of the Audit Committee also meets with the requirements of section 292A of the Companies Act, 1956. The quorum of the Meetings of the Committee is two members.

The Audit Committee has been vested with the following responsibilities :

- a) to investigate any activity within it terms of reference ;
- b) to seek information from any employees ;
- c) to secure attendance of outsiders with relevant expertise, if it consider necessary ;
- d) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible ;
- e) Recommending the appointment and removal of external Auditors, fixation of Audit fees and also approval for payment for any other services ;
- f) Reviewing with management, the annual financial statements before submission to the board ;
- g) Reviewing with the management, External and Internal Auditors, the adequacy of internal control system;
- h) Discussion with the Internal Auditors any significant findings follow up thereon ;
- i) Reviewing the Company's financial and risk management policies ;

Shri Prem Prakash Chokhani, the Statutory Auditors and other professionals with relevant expertise are invited to attend its meetings depending upon requirement.

REMUNERATION TO DIRECTORS

The Company has not yet formed a Remuneration Committee.

Non Executive Directors

The Company does not pay any remuneration / sittings fees in cash or kind to any of its non-executive directors.

Investors / Shareholders Grievance Committee

The Shareholder Grievance Committee comprising of Shri S.B.Mukherjee, Director, Shri Sunil Kr. Purohit, Director and Shri Pradeep Kr. Garg, Director of the company. The quorum of the meeting is 2 members. Investor complaints and queries are being handled with a view to speedy redressal of grievances.

The Committee also approves / reviews the periodical transfer / transmission of shares and securities issued from time to time. This Committee also reviews complaints received from the shareholders.

Committee of Directors

With a view to enable more focused and timely attention on the affairs of the Company, the board has constituted a Committee of Directors with delegation in particular areas. This Committee takes decisions / prepares the groundwork for decision making and report at the successive meeting of the board.

COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS

Disclosures

As required by revised clause 49, a statement in summary form of transactions with related parties, if any, are being periodically placed before the Audit Committee.

Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

Disclosures on Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimisation procedures. The Board shall periodically review the same.

Code of Conduct

The Board has formulated a code of conduct for the Board members of the Company. All Board members have affirmed their compliance with the code. A declaration to this effect signed by the Chairman of the Board of Directors of the Company is given elsewhere in the Annual Report.

CEO/CFO Certification

A certificate from the Chairman on the financial statements of the Company was placed before the Board.

Review of Directors' Responsibility Statement

The Board in its report have confirmed that the annual accounts for the year ended March 31, 2006 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

COMPLIANCE WITH NON-MANDATORY REQUIREMENTS**Tenure of Independent Directors on the Board**

The Company has not yet fixed any tenure for the Independent Directors on the Board of the Company.

Shareholder Rights

Half yearly report is not sent to each household of shareholders. However, the results of the Company are published in the newspapers.

Audit Qualifications

Strategic decisions were taken during the year resulting in unqualified financial statements of the Company.

Training of Board Members

The Company has not yet adopted any training programme for the members of the Board.

Whistle Blower Policy

The Company has not adopted any Whistle Blower policy.

GENERAL BODY MEETINGS

Financial Year	AGM	Date	Time	Venue
2002-2003	13th AGM	30/09/2003	11 a.m.	32, Nityananda Nagar Road Swami Nityananda Nagar Andheri (East) Mumbai-69
2003-2004	14th AGM	30/09/2004	11 a.m.	32, Nityananda Nagar Road Swami Nityananda Nagar Andheri (East) Mumbai-69
2004-2005	15th AGM	29/09/2005	11 a.m.	32, Nityananda Nagar Road Swami Nityananda Nagar Andheri (East) Mumbai-69

Disclosure

- 1) There were no transactions of material nature with the Directors of the management or their subsidiaries or relatives during the year.

GENERAL SHAREHOLDERS INFORMATION

The Board of Directors of the Company approves and takes on record the unaudited financial results in the proforma prescribed by the Bombay Stock Exchange Limited, within one month of close of the quarter / half year and announces forthwith results to all stock exchanges where the shares of the company are listed. The annual audited Accounts of the Company are likewise communicated in the prescribed proforma to all stock Exchanges where the shares of the Company are listed.

Annual General Meeting of the Company is proposed to be held on 28th September, 2006 at 137, Dadiseth Agiari Lane, 2nd Floor Office No 20, Kalbadevi, Mumbai 400 020 at 11.00 a.m.

Book Closure date : 22nd September, to 28th September, 2006

Listing on Stock Exchange	:	1) Bombay Stock Exchange Limited 2) The Calcutta Stock Exchange
Registrar and transfer Agents	:	Niche Technologies Pvt. Ltd.
Share Transfer System	:	All the transfers received are processed and approved by the Share Transfer Committee which normally meets twice in a month
Distribution of Shareholding	:	Annexure
Dematerialization of shares	:	80%
Address for Correspondence	:	Poonam Corporation Limited 4, B.B.D. Bag Exchange, Stephen House, Room No. 77, 5th Floor, Kolkata – 700 001

DISTRIBUTION SCHEDULE

No. of Equity Shares held	No. of Folios	%	No. of Shares	%
Upto 500	478	53.89	186700	1.86
501 1000	223	25.14	198900	1.98
1001 2000	47	5.30	73300	0.73
2001 3000	22	2.48	56900	0.57
3001 4000	11	1.24	39900	0.40
4001 5000	17	1.92	81900	0.81
5001 10000	18	2.03	146600	1.46
10001 Above	71	8.00	9280200	92.21
Total	887	100.00	10064400	100.00

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

It is hereby affirmed that all the directors have complied with the Code of Conduct framed by the Company and a confirmation to that effect has been obtained from the directors.

AUDITOR'S CERTIFICATE

The Certificate dated August 24, 2006 issued by M/s S. K Das & Associates, Chartered Accountants, Statutory Auditors on compliance of the Corporate Governance requirements by the Company is annexed herewith.

For and on behalf of Board of Directors
Sd/-
Pradeep Kr. Garg
Director

Place : Mumbai

Date : 24.8.2006

**AUDITORS CERTIFICATE
ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To the Members of **POONAM CORPORATION LIMITED**.

We have examined the compliance of conditions of corporate governance by Poonam Corporation Ltd. for the year ended 31st March, 2006 as stipulated in clause 49 of the listing Agreement of the said Company with the 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 on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the Management, we certify that the company has complied with the conditions of corporate governance as stipulated In the above mentioned Listing Agreement.

On the basis of our verification, and as certified by the compliance officer, we have to state that no investor grievances were remaining unattached / pending for more than thirty days.

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

For S. K. DAS & ASSOCIATES
Chartered Accountants

Sd/-

T. K. DATTA
Partner

Place : Mumbai

Dated : 24th August, 2006

AUDITORS' REPORT

TO THE MEMBER OF POONAM CORPORATION LIMITED

We have audited the attached Balance Sheet of **POONAM CORPORATION LIMITED** as at 31st March, 2006 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibilities of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have 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 the management, as well as evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion. We hereby report that :-

- (i) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (ii) In our opinion, the company has kept proper books of account as required by law so far as appears from our examination of those books.
- (iii) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- (v) On the basis of written representations received from the directors, as on the Balance Sheet date, none of the Directors is disqualified from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information require 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.
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 st March, 2006 and
 - b) in the case of the Profit and Loss Account of the Loss of the Company for the year ended on that date.

As required by the Companies (Auditor's report) Order, 2003 has amended by Companies (Auditor's report) (Amendment) order 2004 issued by the Central Governmental of India in terms of sub-section 4A of section 227 of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we further report on the matters specified in paragraphs 4 and 5 of the said order that :-

- a. The Company has maintained proper records of Fixed Assets showing full particulars, including quantitative details and situation thereof.

- b. The management informed us that Fixed Assets have been physically verified at the year end and no material discrepancy between the book records and the physical inventory has been noticed.
 - c. The Company has not disposed any substantial part of fixed assets during the year affecting the going concern status of the Company.
- (viii) The Company has maintained proper records of investments No discrepancies were noticed on verification between the physical stock and the book records.
- (ix) The Company has not granted or taken any loans, secured or unsecured during the year from / to Companies firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- (x) In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of its business with regards operation of business and purchase and sale of fixed assets.
- a. To the best of our knowledge and belief and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register have been so entered.
 - b. According to the information and explanations given to us, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (xi) According to the information and explanations given to us, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (xii) The Company does not have an Independent Internal Audit system.
- (xiii) The Company's management has informed us that the Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, for any products of the Company.
- a. According to the information and explanation give to us and the records of the Company examined by us, in our opinion the Company is generally regular in depositing the undisputed statutory dues including Income Tax and the taxes, cess and other material statutory dues as applicable with the appropriate authorities of India.
- (xiv) The Company has been regular in making payment of its Income tax and other taxes, cess and other material statutory dues as applicable during the year. According to the records of the Company examined by us and the information and explanation given to us, there were no disputed amounts payable in respect of Income Tax and other taxes, cess and other material statutory dues that were outstanding as on the end of the financial year.
- (xv) According to the records of the Company, the accumulated losses of the company are not more than fifty percent of its net worth at the end of the financial year.
- (xvi) According to the records of the company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or

debenture holders as at the Balance Sheet date.

- (xvii) According to the records of the company examined by us and the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xviii) The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- (xix) In respect of the Company's dealings and trading in shares, securities, debentures and other investments, the Company has maintained proper records of the transactions and contracts and regular entries have been made. Since, the principal business of the Company consists of buying and selling of shares / securities, section 49 does not require the Company to hold its shares / securities in its own name.
- (xx) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by other from banks or financial institutions during the year.
- (xxi) The Company has not taken any term loans during the current financial year.
- (xxii) Based on the information and explanations given to us and on overall examination of the Balance Sheet of the Company, funds raised on short terms basis have prima facie, not been used during the year for long term investment or vice versa, other than temporary deployment pending application \ or for repayment.
- (xxiii) 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 during the year.
- (xxiv) The Company has not issued any debentures during the year.
- (xxv) The Company has not raised any money by public issue during the year.
- (xxvi) To the best of knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For S. K. DAS & ASSOCIATES
Chartered Accountants

Sd/-

TAPAS KUMAR DATTA
Partner

Place : Mumbai

Dated : 24th August, 2006

**STATEMENT
OF
ACCOUNTS**

BALANCE SHEET as at 31st March, 2006

	Schedule	Current Year As at 31.03.2006 Rs.	Previous Year As at 31.03.2005 Rs.
I) SOURCE OF FUNDS :			
1) Shareholder's Fund			
Share capital	1	100,644,000	100,324,000
2) Deferred Tax Liability(Net)		11,346	11,346
		<u>100,655,346</u>	<u>100,335,346</u>
II) APPLICATION OF FUNDS :			
1) FIXED ASSETS			
GROSS BLOCK	2	883,811	883,811
Less : Depreciation		250,802	226,504
Net Block		<u>633,009</u>	<u>657,307</u>
2) INVESTMENTS	3	58,024,000	56,600,000
3) CURRENT ASSETS, LOANS AND ADVANCES :			
	4		
a) Sundry Debtors		46,322,336	—
b) Cash & Bank Balance		198,663	1,096,510
c) Loans & Advances		9,307,405	39,413,405
		<u>55,828,404</u>	<u>40,509,915</u>
LESS : CURRENT LIABILITIES & PROVISIONS :			
Current Liabilities and Provisions	5	16,413,127	207,905
Net Current Assets		39,415,277	40,302,010
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	6	—	586,342
PROFIT & LOSS ACCOUNT		2,583,060	2,189,687
		<u>100,655,346</u>	<u>100,335,346</u>
Significant Accounting Policies and Notes on Account	10		

As per our report of even date attached

For S. K. DAS & ASSOCIATES

Chartered Accountants

Sd/-

T. K. DATTA

Partner

Place : Mumbai

Dated : 24th August, 2006

Sd/-

Pawan Modi

Director

Sd/-

Pradeep Kr. Garg

Director

PROFIT & LOSS ACCOUNT for the year ended 31st March, 2006

<u>Particulars</u>	<u>Schedule</u>	Current Year As at 31.03.2006 Rs.	Previous Year As at 31.03.2005 Rs.
INCOME			
Other Incomes	7	661,000	1,121,692
	Total	<u>661,000</u>	<u>1,121,692</u>
EXPENDITURE			
Personnel Expenses	8	98,800	97,300
Operating & Admn. Expenses	9	342,433	381,707
Preliminary Expenses W/OFF		586,342	586,339
Depreciation		24,298	21,168
		<u>1,051,873</u>	<u>1,086,514</u>
PROFIT / (LOSS) BEFORE TAXATION		(390,873)	35,178
Less : Provision		2,500	150,000
Less : Deferred tax liability (reversed)		—	(1,08,960)
PROFIT / (LOSS) AFTER TAXATION		(393,373)	(5,862)
Add : Balance Brought forward from Previous year		(21,89,687)	(2,183,825)
BALANCE CARRIED TO BALANCE SHEET		<u>(2,583,060)</u>	<u>(2,189,687)</u>
Significant Accounting Policies and Notes on Accounts	10		

As per our report of even date attached

For S. K. DAS & ASSOCIATES
Chartered Accountants

Sd/-
T. K. DATTA
Partner

Sd/-
Pawan Modi
Director

Sd/-
Pradeep Kr. Garg
Director

Place : Mumbai
Dated : 24th August, 2006

Schedules forming part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2006

	As at 31.03.2006 Rs.	As at 31.03.2005 Rs.
SCHEDULE - 1		
SHARE CAPITAL		
AUTHORISED		
1,10,00,000 Equity Shares of Rs.10/- each	110,000,000	110,000,000
Issued, Subscribed & Paid-up		
1,00,64,400 Equity Shares of Rs.10/- each fully paid up in cash	100,644,000	100,644,000
Less : Allotment Money in Arrears on 59,000 Shares (59,900 Shares as per last Balance Sheet)	—	320,000
	<u>100,644,000</u>	<u>100,324,000</u>
SCHEDULE - 3		
INVESTMENTS		
In Shares (unquoted and at cost)		
100000 Aarshi Projects Pvt Ltd	—	1,000,000
10000 Bakshiram Uderam Holdings Pvt Ltd	—	1,000,000
50000 Basera Nirman Pvt Ltd	—	2,500,000
48000 Disha Paints Pvt Ltd	—	4,800,000
50000 Fidus Finance Pvt Ltd	—	2,500,000
60000 Gamut Overseas Pvt Ltd	—	3,000,000
8000 Karay Automart Pvt Ltd	—	4,000,000
4000 Kerryon Automart Pvt Ltd	—	2,000,000
20000 Midas Capital Pvt Ltd	—	1,000,000
5000 Sgm Real Estate Pvt Ltd	—	500,000
1000 Skm Steels Ltd	—	2,500,000
144000 Success Vyapar Pvt Ltd	—	14,400,000
169000 Shelter Vyapar Pvt Ltd	—	16,900,000
5000 Harupriya syntex Pvt Ltd	—	500,000
40000 Channel Guide INFO TV India Ltd	4,000,000	—
2000 Desmet Steel & Wires Pvt Ltd	1,000,000	—
100000 G M Control Pvt Ltd	1,000,000	—
5000 Golden Home Furnishing Pvt Ltd	500,000	—
15000 Jaideep Dealers Pvt Ltd	1,500,000	—
50000 K R Chemicals Pvt Ltd	1,500,000	—
2500 Meghdoot Textiles Pvt Ltd	2,000,000	—
35000 Navakar Ispat Ltd (Formerly Agni Alloys Ltd)	3,500,000	—
19000 Sarwar Sales Pvt Ltd	3,800,000	—
400 Sbee Cables Ltd	1,000,000	—
12500 Silpi Merchant Pvt Ltd	2,500,000	—
55000 Subham Coal Processor Pvt Ltd	1,925,000	—
76990 Success Vyapar Pvt Ltd	7,699,000	—
194000 Shelter Vyapar Pvt Ltd	19,400,000	—
7500 Taranga Vyapar Pvt Ltd	1,500,000	—
26000 Udit Vyapar Pvt Ltd	5,200,000	—
	<u>58,024,000</u>	<u>56,600,000</u>

SCHEDULE - 2**FIXED ASSETS**

Particulars	GROSS BLOCK AT COST					DEPRECIATION			NET BLOCK		
	Rate %	As at 01.04.05	Additions	Disposals	As at 31.03.06	As on 01.04.05	Additions	Disposals	As at 31.03.06	As on 31.03.05	As on 31.03.06
Land	—	375,886	—	—	375,886	—	—	—	—	375,886	375,886
Office Premises	1.63	164,694	—	—	164,694	24,666	2,684	—	27,350	140,028	137,244
Office Equipment	4.75	286,610	—	—	286,610	188,168	13,614	—	201,782	98,442	84,828
Acquired Filter	4.75	10,280	—	—	10,280	9,288	488	—	9,776	992	504
Computer System	16.21	46,341	—	—	46,341	4,382	7,512	—	11,894	41,959	34,447
Grand Total	—	883,811	—	—	883,811	326,504	24,298	—	250,802	657,307	633,009
Previous Year	—	8,37,470	46,341	—	883,811	205,336	21,168	—	226,504	632,134	657,307

	As at 31.03.2006 Rs.	As at 31.03.2005 Rs.
SCHEDULE - 4		
CURRENT ASSETS & LOANS & ADVANCES		
A) Cash & Bank Balances		
Cash in Hand (As Certified by Management)	179,625	25,031
In Current Account (Balance with Schedule Banks)	19,038	1,071,479
	<u>198,663</u>	<u>1,096,510</u>
Sundry Debtors (Unsecured considered good)		
More than Six Months	—	—
Less than Six Months	46,322,336	—
B) LOANS & ADVANCES		
a) Advance	7,494,000	8,100,000
b) Advance for Shares	1,400,000	30,900,000
c) Tax deducted at source	413,405	413,405
	<u>9,307,405</u>	<u>39,413,405</u>
SCHEDULE - 5		
Current Liabilities & Provisions		
Trade Creditors	16,186,336	—
<u>Liabilities for Expenses</u>		
S. K. Das & Associates	33,366	16,530
Provision for Taxation	189,125	181,625
Creditor for Exp.	4,300	9,750
	<u>16,413,127</u>	<u>207,905</u>
SCHEDULE - 6		
Miscellaneous Expenditure		
(To the extent not written off or adjusted)		
Public issue expenditure	586,342	1,172,681
Less: Written off	586,342	586,339
	<u>NIL</u>	<u>586,342</u>
SCHEDULE - 7		
Other Incomes		
Income from Providing of IT Products / Services	367,000	—
Interest Received	294,000	1,002,892
Service Charges & Commission	—	118,800
	<u>661,000</u>	<u>1,121,692</u>

	As at 31.03.2006 Rs.	As at 31.03.2005 Rs.
SCHEDULE - 8		
Personnel Expenditure		
Salaries & Bonus	98,800	97,300
	<u>98,800</u>	<u>97,300</u>

SCHEDULE - 9**Administrative & other Expenses**

Audit Fees	16,836	18,060
Annual Listing Fees	47,500	58,250
Bank Charges	14,903	14,434
Conveyance	8,400	16,000
Electricity Charges	26,500	40,000
Filing Fees	4,500	2,000
Legal Fees	—	14,450
Misc. Expenses	21,589	6,317
Rent, Rates & Taxes	89,000	80,000
Printing & Stationary	12,335	25,572
Postage & Telegrams	8,231	6,344
Professional Fees	10,600	18,500
Travelling Expenses	10,000	30,000
D-Mat Charges	22,040	5,284
Telephone Expenses	18,465	29,184
Advertisement	19,519	12,312
R. & T. Expenses	12,015	5,000
	<u>342,433</u>	<u>381,707</u>

SCHEDULE - 10**Significant Accounting Policies and Notes on Account**

- (A) System of Accounting : The Company has followed the mercantile basis of accounting.
- (B) Fixed Assets: Fixed Assets are stated at cost of acquisition less accumulated depreciation.
- (C) Depreciation : Depreciation on all assets are provided on "Straight Line Method" at the rate and in the manner prescribed in Schedule XIV of the Companies Act, 1956 as amended to date.
- (D) Miscellaneous Expenditure : Preliminary Expenses and Public issue expenses are written off in equal installment over period of 10 years.
- (E) Contingent Liability : Amount of contingent liabilities not provided for in the accounts Rs. NIL (Previous period Rs. Nil).
- (F) Estimated amount of contract remaining to be executed on capital account and not provided for is Rs. Nil (Previous year Rs. NIL).
- (G) The Figures of the previous year have been regrouped / rearranged wherever considered necessary.

- (H) No Provision has been made in respect of current assets which has become bad and doubtful and / or may not realisable in full or part. The amount of such unrealisable assets have not yet been ascertained by the Management.
- (I) In accordance with AS-22 for taxes on Income tax issued by The Institute of Chartered Accountants of India the deferred tax liability recognised in this account on timing difference & Carry forward losses calculated present rate of tax.
- (J) As per Accounting Standard (AS-20) on Earning per Share (EPS) issued by the institute of chartered Accountants of India , the EPS for equity share holders are as below :

	As at 31st March, 2006 Rs.	As at 31st March, 2005 Rs.
Net Profit / (Loss) as per Profit & loss A/c	(-) 393373	35178
Number of Equity Shares	10064400	10064400
EPS	(-) 0.0391	0.0035
Face Value	10/-	10/-

- (K) The Company has not made any transaction with " Related Party".
- (L) Since the company's nature of operation is not attract to the provision od AS-17 (Segmental Reporting) no disclosure in this report has been made.
- (M) Investments are made in shares of private limited company or in the shares of unquoted limited company have been valued at cost.
- (N) Since the Company has not carried out any trading or Manufacturing activity during the year no disclosure has been made regarding information as required paragraph 3,4C & 4D of Para 11 Schedual VI of the Companies Act, 1956.

For S. K. DAS & ASSOCIATES
Chartered Accountants

Sd/-
T. K. DATTA
Partner

Place : Mumbai
Dated : 24th August, 2006

Sd/-
Pawan Modi
Director

Sd/-
Pradeep Kr. Garg
Director

CASH FLOW STATEMENT for the year ended 31st March, 2006

	As at 31.03.2006 <u>Rs.</u>	As at 31.03.2005 <u>Rs.</u>
A. Cash Flow From Operating Activities :		
Net Profit before tax & extra	(390,873)	35,178
Adjustments for :		
Depreciation	24,298	21,168
Miscellaneous Expenditure W/o	586,342	586,339
	<u>219,767</u>	<u>642,685</u>
Operating Profit before working Capital Changes		
Adjustments for :		
Increase In Stock		
Sundry Debtors	(46,322,336)	6,900,000
Trade and other payable	16,205,222	(9,52,853)
Loans & Advances	30,106,000	2,97,71,214
	<u>(11,114)</u>	<u>3,57,18,361</u>
Increase in Provision & Deferred Tax Liability	(2,500)	(41,040)
Net Cash Flow From Operating Activities	<u>(13,614)</u>	<u>356,77,321</u>
B. Cash Flow From Investing Activities :		
Investments in capital work in progress		
Purchase Of Fixed Assets	—	(46,341)
Purchase Of Investmets	(1,424,000)	(3,54,00,000)
Interest Income	—	—
Dividend Income	—	—
sale of Fixed Assets	—	—
Profit / (Loss) on sale or fixed assets	—	—
other Misc. Receipt (sale of Investment)	—	—
	<u>(1,424,000)</u>	<u>35,446,341</u>
C. Cash Flow from financing activities		
Proceed from public issue	320,000	—
Proceed from borrowings	—	—
Net Cash Flow From Operating Activities	(897,847)	8,73,665
Cash & Cash Equivalents as at 01.04.05	1,096,510	2,22,845
Cash & Cash Equivalents as at 31.03.06	198,663	10,96,510
	Total (A+B+C)	

For and on behalf of the Board

Sd/-
Pawan Modi
DirectorSd/-
Pradeep Kr. Garg
Director**AUDITOR'S REPORT**

We have verified the attached Cash Flow Statement of POONAM CORPORATION LIMITED derived from the audited financial statements and the records maintained by the Company for the year ended 31st March, 2006 and 31st March, 2005 and found the same in agreement therewith.

For S. K. DAS & ASSOCIATES
Chartered Accountants

Sd/-
T. K. DATTA
Partner

Place : Mumbai

Dated : 24th August, 2006

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
for the Financial Year ended 31st March, 2006**

I Registration Details :

Registration No. :	57150	State Code :	11
Balance Sheet Date :	31-03-2006		

II Capital Raised during the year (Amount in Rupees '000) :

Public Issue :	NIL	Rights Issue :	NIL
Bonus Issue :	NIL	Private Placement :	NIL

III Position of Mobilisation & Deployment of Funds (Amount in Rupees '000) :

Total Liabilities :	1,00,655	Total Assets :	1,00,655
---------------------	----------	----------------	----------

Sources of Funds :

Paid up Capital :	1,00,644	Reserves & Surplus :	NIL
Secured Loans :	NIL	Deferred Tax Liability :	11

Application of Funds :

Fixed Assets :	633	Investments :	58,024
Net Current assets :	39,415	Misc. Expenditure :	NIL
Accumulated Losses :	2,583		

IV Performance of the Company (Amount in Rupees '000) :

Turnover (including other income) :	6,61,000	Total Expenditure :	10,51,873
Profit/(Loss) Before Tax :	(-) 391	Profit/(Loss) After Tax :	(-) 393
Earning per Share :	NIL	Dividend rate % :	NIL

V Generic Names of Three Principal Products / Services of the Company :

(as per monetary terms) :

Item Code No. :	N.A.
Product Description :	1) Drugs Intermediates 2) Computer Products & Services

As per our report of even date
For S. K. DAS & ASSOCIATES
Chartered Accountants

Sd/-
T. K. DATTA
Partner

Sd/-
Pawan Modi
Director

Sd/-
Pradeep Kr. Garg
Director

Place : Mumbai
Dated : 24th August, 2006

POONAM CORPORATION LIMITED

137, Dadiseth Agari Lane, 2nd Floor, Office No. 20
Kalbadevi, Mumbai - 400 020

PROXY FORM

I/We _____ of _____
(Name in Block Letters) (Address)

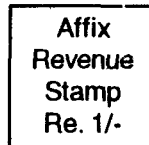
in the State of _____ being a member / members of Poonam Corporation Ltd.
hereby appoint _____ of _____
in the State of _____ or failing him/her _____
of _____

in the State of _____ as my / our proxy to vote for me /us and on my /our
behalf at the 16 th Annual General Meeting of the Company to be held on Thursday the 28th September,
2006 at 11 A.M. at 137, Dadiseth Agari Lane, 2nd Floor, Office No. 20 Kalbadevi, Mumbai - 400 020 at
any adjournment thereof.

As WITNESS my/our hand/hands this.....(date)day of.....(Month) 2006.

Folio No.....

No. of the Shares held.....



Signature

NOTES :

1. The Proxy need not be a member.
2. The Proxy for duly signed across Revenue stamp should reach the Company's Registered office at least 48 hours before the time of the meeting.
3. Attendance Slip should be sent to the proxy appointed by you and not to the Company.

POONAM CORPORATION LIMITED

137, Dadiseth Agari Lane, 2nd Floor, Office No. 20
Kalbadevi, Mumbai - 400 020

ATTENDANCE SLIP

1. Full Name of Member/Proxy attending the meeting _____
2. Whether FIRST HOLDER / JOINT HOLDER / PROXY
* (Strike out whichever is not applicable)
3. Full Name of First Holder _____
(If Joint Holder / Proxy attending)

I certify that I am a registered Shareholder / Proxy for the registered shareholder of the Company.
I hereby record my presence at the 16th Annual General Meeting of the Company to be held on the
28th September, 2006 Thursday at 11 A.M. at 137, Dadiseth Agari Lane, 2nd Floor, Office No. 20,
Kalbadevi, Mumbai - 400 020.

Signature of the Shareholder / Proxy

Folio No.....

- Notes :
1. This attendance slip is valid only in case shares are held on the date of meeting.
 2. No Gifts / Company Products shall be given at the meeting.