

# **ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED**



**SIXTH ANNUAL REPORT  
1998-99**

Report  Junction.com

**REGISTERED OFFICE  
157, Habibullah Road, T Nagar, Chennai - 600 017.**



## ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED

### BOARD OF DIRECTORS

Mr K V Aiyappan	- Chairman
Mrs Abirami Arunachalam	- Director
Mr Teckchand Vaswani	- Director
Mr AR Annamalai	- Director
Mr Arogiaswamy Dominic	- Director
Mr L V Anantram	- Director
Mr S Jayaraman	- Executive Director

### COMPANY SECRETARY

Mr D Srinivasalu

### VICE PRESIDENT

Mr S Madhava Rao

### AUDITOR

Mr K C Sthalasayanam  
Chartered Accountant  
87, Kutchery Road  
Mylapore, Chennai 600 004

### BANKERS

M/s Lakshmi Vilas Bank Ltd.,  
Cathedral Branch, Chennai.  
M/s Bharat Overseas Bank Ltd.,  
Cathedral Branch, Chennai.

### REGISTERED OFFICE

157, Habibullah Road  
T Nagar, Chennai 600 017.

### BRANCH

Pondicherry

<b>CONTENTS</b>	<b>PAGE NO.</b>
Notice to Share Holders	3
Directors' Report	6
Auditor Report	8
Balance Sheet	11
Profit & Loss Account	12
Schedules	13
Notes on Accounts	19
Business Profile	21
Cash Flow Statement	23



## NOTICE TO SHARE HOLDERS

NOTICE is hereby given that the Sixth Annual General Meeting of the Share holders of ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED will be held at 10.00 A.M. on 6th September, 1999 at New Woodlands Hotel (Private) Limited, 72-75, Dr. Radhakrishnan Road, Mylapore, Chennai 600 004 to transact the following Business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 1999 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To elect directors:
  - (a) To appoint a Director in the place of Mr Teckchand Vaswani, who retires by rotation and being eligible, offers himself for re-appointment.
  - (b) To appoint a Director in the place of Mr AR Annamalai, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr K C Sthalasayanam, Chartered Accountant, 87, Kutcheri Road, Mylapore, Chennai - 600 004 be and is hereby

appointed as Auditor of the Company to hold office until the conclusion of the next Annual General Meeting of the Company on a remuneration as may be determined by the Board of Directors."

### SPECIAL BUSINESS:

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

"RESOLVED THAT consent of the Company be and is hereby accorded to the Board of Directors of the Company for keeping the Register of Members together with Index of Members and copies of all returns under Sections 159 and 160 of the Companies Act, 1956, as also the copies of Certificates and Documents required to be annexed thereto under Sections 160 and 161 of the Companies Act, 1956 at the Registered Office of the Company at 157, Habibullah Road, T Nagar, Chennai 600 017."

"RESOLVED FURTHER THAT the Executive Director / Company Secretary of the company be and are hereby authorised to intimate the same to the Registrar of Companies, Tamilnadu in this regard."

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 198, 309, 310 and Schedule XIII and other applicable provisions, if any, the Company hereby accords its

approval for the increase in remuneration payable to Mr S Jayaraman, Executive Director of the Company with effect from 1st July, 1998 for the remaining period of his current term of appointment in the following manner:

1. Salary : Rs.26,000 P.M.
2. Perquisites : He shall be entitled to perquisites like use of Car for official purpose and Telephone at Residence, and other Perquisites, benefits and amenities shall be as per the Company's rules applicable to Senior Executives."
2. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of the items 5 & 6 is annexed to this notice.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 1st September,1999 to 6th September,1999 (both days inclusive).
4. All documents referred to in the above Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours.

**NOTES :**

By Order of the Board

1. A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself / herself and such a Proxy need not be a Member of the Company.

Place : Chennai  
Date : 26.06.99

**D SRINIVASALU**  
Company Secretary





## **EXPLANATORY STATEMENT ANNEXED TO NOTICE PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956**

### **Item No. 5 :**

As per Section 163 of the Companies Act, 1956 certain documents such as the Register of Members, Annual Returns, etc., have to be maintained at the Registered Office of the Company. These records have been maintained at Abacus Share and Services (P) Limited, at 24, Casa Major Road, Egmore, Chennai 600 008. Since they have expressed their inability to continue as Share Transfer Agents, it is proposed to create in-house Share Transfer Department in your Company.

For this purpose the approval of the Members of the Company is required for shifting the above said records to the Registered Office of the Company. Accordingly, the resolution has been set out under Item No.5 for the approval of the Members.

### **MEMORANDUM OF INTEREST:**

None of the Directors of the Company is interested or concerned with this Resolution.

### **Item No. 6:**

In view of the increased responsibilities of the Executive Director, the Board felt the necessity to revise the remuneration and accordingly at the Board Meeting held on 09.06.1998, varied subject to your approval, the terms of remuneration of Mr S Jayaraman, Executive Director, with effect from 1st July, 1998, for the remaining period of his current term of appointment. The abstract of variation in terms of remuneration pursuant to Section 302 of the Companies Act, 1956 has been forwarded to the shareholders of the Company.

The Ordinary Resolution as set out in the Notice is placed before the shareholders for their approval.

### **MEMORANDUM OF INTEREST:**

Mr S Jayaraman, is interested in this Resolution since it relates to the terms of his remuneration.

By Order of the Board

Place : Chennai  
Date : 26.06.99

**D SRINIVASALU**  
Company Secretary

## DIRECTORS' REPORT

Your Directors have pleasure in presenting the Sixth Annual Report of your Company with Audited Accounts for the period ended 31st March, 1999.

### PERFORMANCE:

The Performance of the Company for the period ended 31st March, 1999 is summarised as follows:

	Rs. in Lakhs
PROFIT BEFORE	
DEPRECIATION & TAXES	135.84
LESS : DEPRECIATION	44.11
PROVISION FOR TAX	23.81
LEASE EQUALISATION FUND	4.54
PROVISION FOR NPA	15.05
PROFIT AFTER	
DEPRECIATION & TAXES	48.33

### APPROPRIATIONS

DIVIDEND PROPOSED (5%)	30.00
DIVIDEND DISTRIBUTION TAX	3.30
TRANSFER TO GENERAL RESERVE	15.00
SURPLUS C/F TO BALANCE SHEET	0.03

### DIVIDEND:

Your Directors are pleased to recommend a dividend of 5%. The proposed dividend absorbs a sum of Rs.33.30 Lakhs inclusive of Dividend Distribution Tax of Rs.3.30 Lakhs.

### REVIEW OF OPERATIONS:

During the year satisfactory growth has been registered by your Company inspite of unfavourable

market conditions. Your Company has generated a total income of Rs.182.86 Lakhs. Your Company's Stock on Hire as at 31.3.99 under Hire Purchase Finance stood at Rs.140.90 Lakhs as against Rs.163.33 Lakhs, Rs.2.90 Lakhs as against Rs.9.13 Lakhs under Vehicle Hire Purchase Finance and Advance Against Hypothecation of Assets was at Rs.33.85 Lakhs as against Rs.25.55 Lakhs respectively as at the end of the previous year.

Your Directors consider the overall performance of the Company as satisfactory taking into account the difficult market conditions which continued during the year.

### REGISTRATION WITH RBI:

Your Company is happy to inform you that the Company has obtained a fresh Registration with RBI as per its new guidelines under Section 45 IA of the RBI Act.

### Y2K COMPLIANCE:

Most of your Company's operations are so far maintained manually. Hence there is no threat under Y2K. However, during the current year the Company's operations are computerised, under a single comprehensive package, which is totally Y2K compliant.

### OWN BUILDING:

Your Company has acquired a prime property situated at No.50, South Boag Road, T Nagar, Chennai 600 017. All the civil works having been completed, Finishing items of work are in progress. It is expected to move to its own building before the end of this year.