

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



## **TWENTY FIRST ANNUAL REPORT 2013 - 2014**

**REGISTERED OFFICE**

**“CAPITAL PLACE”**

**NEW No. 16 (OLD No. 50), SOUTH BOAG ROAD, T. NAGAR,  
CHENNAI - 600 017.**

**CORPORATE WEBSITE : [www.afslindia.com](http://www.afslindia.com)**

**E-MAIL ID : [abi@afslindia.com](mailto:abi@afslindia.com) [abicompliance@afslindia.com](mailto:abicompliance@afslindia.com)**



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

### **BOARD OF DIRECTORS :**

- |                             |                               |
|-----------------------------|-------------------------------|
| <i>Mr K V Aiyappan</i>      | - <i>Chairman</i>             |
| <i>Mr Teckchand Vaswani</i> | - <i>Director</i>             |
| <i>Mr T V Srinivasan</i>    | - <i>Independent Director</i> |
| <i>Mr K. M. Narasimhan</i>  | - <i>Independent Director</i> |
| <i>Mr P. Sankaran</i>       | - <i>Executive Director</i>   |

### **AUDITOR**

**: R.Bhaskar & Co.**  
*Chartered Accountants,  
D.C.Towers, No.17, 3rd Floor,  
F 37-38, Second Avenue, Anna Nagar,  
Chennai-600102.*

### **BANKERS**

**: M/s Lakshmi Vilas Bank Ltd.,**  
*Cathedral Road Branch, Chennai.*

*M/s Indian Overseas Bank  
Cathedral Road Branch, Chennai.*

*M/s Canara Bank  
T.Nagar Branch, Chennai.*

### **REGISTERED OFFICE**

**: "CAPITAL PLACE"**  
*New No.16 (Old No. 50), South Boag Road  
T Nagar, Chennai 600 017.*



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***NOTICE TO SHAREHOLDERS :***

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of the company will be held at the Registered Office of the company at “Capital Place”, No.16/50 South Boag Road, T.Nagar, Chennai 600 017 on Monday the 30th June 2014 at 10.00 a.m., to transact the following business:

**ORDINARY BUSINESS:**

**1. Adoption of Accounts:-**

To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March 2014 and the Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.

**2. Appointment of Directors Retiring By Rotation:-**

- (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 P.Sankaran who retires by rotation and being eligible offers himself for re-appointment.

**3. Appointment of Auditors:-**

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

**“RESOLVED THAT R.Bhaskar & Co, Chartered Accountants, D.C.Towers, No.17, 3rd Floor, F 37 & 38, Second Avenue, Anna Nagar, Chennai-600 102 be and are hereby appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on a remuneration as may be determined by the Board of Directors”.**



## **SPECIAL BUSINESS:**

### **4. Appointment of Executive Director:-**

- (a) To consider and if thought fit, to pass with or without modifications the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions if any, of the Companies Act, 1956, Mr.P.Sankaran be and is hereby Appointed as Executive Director of the Company for a period of One Year with effect from 19/06/2014 on the following terms and conditions: -

- (a) Salary : Rs.30,000/- per month.
- (b) Perquisites : In addition to salary, Mr.P.Sankaran is entitled to other benefits and perquisites as may be Provided to other executives of the company and re-imbursement of expenses on one residential Telephone as per company rules”.

**“RESOLVED FURTHER THAT**, the Board of Directors be and are hereby authorized to do and perform all such acts, deeds, matters and things and to take such steps as may be necessary or desirable 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/herself and such a proxy need not be a member of the company. Proxies in order to be effective should be lodged with the company not later than 48 hours before the commencement of the Meeting.
2. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of appointment of special business set out under item No. 4 is annexed hereto.
3. The Register of Members and Share Transfer Books of the company will remain Closed from 26th of June 2014, to 30th of June 2014(Both days inclusive).



4. As per Section 205A of the Companies Act, 1956 the Company had already transferred all unclaimed/unpaid dividends to Investor Education Protection Fund.
5. Members/proxies are requested to bring the Attendance slip duly filled in for attending the Meeting.
6. All documents referred to in the above notice/explanatory statement are open for inspection by any members at the Registered Office of the Company during business hours of the company on any working day up to the last date of the Annual General Meeting

Place: Chennai - 17  
Date : 28-05-2014.

**P. SANKARAN**  
**Executive Director**

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

**Item No.4:**

Your Directors would like to inform you that the term of office of the Executive Director Mr. P.Sankaran is expiring on 18/06/2014. In order to recognize the hard work and good performance of Mr.P.Sankaran, the Board of Directors at their meeting held on 28-05-2014 re-appointed him as Executive Director for a further period of one year on the terms and conditions as detailed in the special resolution. The remuneration committee at its meeting held on 15/04/2014 approved his remuneration and recommended the same to the Board of Directors. Your approval is required for the re-appointment of Mr.P.Sankaran as Executive Director as well as for payment of remuneration to him.

**INTEREST OF DIRECTORS:-**

None of the Directors are interested or concerned in passing of the Resolutions, except Mr.P.Sankaran, Present Executive Director.



INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE-49 OF THE LISTING AGREEMENT:

As required under the Listing Agreement, the particulars of the Directors who are proposed to be appointed /reappointed are given hereunder:

Item no. 2 (a) of the Notice

Name : Mr. Teckchand Vaswani  
Age : 84 Years  
Qualification : B.A.  
Date of Appointment : 19th April 1993  
Occupation : Industrialist  
No. of Shares held by him : 10,80,000  
Expertise :

He has wide experience in international business for the past 4 decades. He has business interest in Hong Kong, Taiwan and U.K.

Details of other Directorships / Committee Membership held by him are as follows :

<u>Sl.No.</u>	<u>Name of the Company</u>	<u>Position</u>	<u>Committee Membership</u>	
			<u>Chairman</u>	<u>Member</u>
1.	Yoha Securities limited	Director	---	---



INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE-49 OF THE LISTING AGREEMENT:

Item no. 2 (b) of the Notice

Name : Mr. P. Sankaran  
Age : 69 Years  
Qualification : B.Com; CAIIB (PI)  
Date of Appointment : 6th March, 2002  
Occupation : Retired Senior Manager from Indian Overseas Bank  
No. of Shares held by him : NIL.  
Expertise :

He has more than 3 decades of Banking Service with experience in Finance, Inspection, Vigilance & Staff Management Portfolios. He is functioning as Executive Director of the Company w.e.f.19/06/2003.

Details of other Directorships / Committee Membership held by him are as follows:

Sl.No.	Name of the Company	Position	Committee Membership	
			Chairman	Member
1.	Yoha Securities limited	Director	---	Share Transfer Committee





## **CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of M/s. Abirami Financial Services (India) Limited

We have examined all relevant records of M/s. Abirami Financial Services (I) Ltd., for the purpose of certifying compliance of the conditions of corporate governance under Clause 49 of the Listing Agreement with the Stock Exchanges for the financial year ended 31st March, 2014.

We have obtained all the information and explanations, which to the best of our knowledge and beliefs were necessary for the purpose of our certification.

The compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the company has complied with:

- a) All the mandatory conditions of the said Clause 49 of the Listing Agreement.
- b) The following non-mandatory requirements of the said Clause 49 of the Listing Agreement:
  - (I) Remuneration committee.
  - (ii) Whistle blower mechanism.
  - (iii) Providing office for Non-Executive Chairman.

Place: Chennai -17.  
Date: 28-05-2014.

For R. BHASKAR & Co.  
Chartered Accountants  
F.No.008860S

R. BHASKAR,  
Proprietor  
M.No.026584



## **CORPORATE GOVERNANCE REPORT**

M/S.ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED has implemented code on corporate governance introduced by The Securities Exchange Board of India (SEBI).

### **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The company is committed to Good Corporate Governance. The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all its inter-actions with its stakeholders, including shareholders, the government, lenders and the employees.

The Company follows the Know your Customer Guidelines and fair practice code which details detailed guidelines for dealing with customers in order to improve transparency in operations and strengthen Corporate Governance.

The company strives hard to achieve establishment of Internal Controls and risk Management. The Company respects the right of its shareholders to information on the performance of the company.

### **BOARD OF DIRECTORS:**

The Members of the Board of Directors are persons with considerable expertise and experience in audit, accounts, administration, banking, software, finance and international business. The company is benefited by the experience and skills of the Board of Directors.

The Board consists of Five Directors of which one person is the Executive Director and four others are non-executive directors. Out of the five directors two are independent directors. The Executive Director is Mr.P.Sankaran. Mr.K.V.Aiyappan and Mr.Teckchand Vaswani are Non-executive Promoter Directors. Mr.K.V.Aiyappan chairs the Board. Mr.T.V.Srinivasan and Mr.K.M.Narasimhan are Independent Non-Executive Directors. More than half of the board consists of independent directors which fully satisfies the listing requirements in this regard.

The Independent Directors have made disclosures to the Board confirming that there are no material, financial and/ or commercial transactions between them and the company which could have potential conflict of interest with the company at large.

The company has a code of conduct for Directors and Senior Management personnel. The code is available on the official website of the company: [www.afslindia.com](http://www.afslindia.com)