

ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED



TWENTY SEVENTH ANNUAL REPORT 2019 – 2020

REGISTERED OFFICE

"CAPITAL PLACE"

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

CORPORATE WEB SITE: www.afslindia.com

E-MAIL ID : abi@afslindia.com abicompliance@afslindia.com



ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED

<u>BOARD OF DIRECTORS</u>	:	Mr. K. V. Aiyappan	-	Chairman
		Mr. P. Sankaran	-	Whole Time Director
		Mr. T. V. Srinivasan	-	Independent Director
		Mr. K. M. Narasimhan	-	Independent Director
		Dr. M.G. Bhaskar	-	Independent Director
		Mrs. Muthulakshmi Ganesh	-	Director

CHIEF FINANCIAL OFFICER : **Mrs. Chitra Sivaramakrishnan**

AUDITOR : **M/s. TSG & ASSOCIATES.**
Chartered Accountants,
Plot C-36B, F6, Nanchil Crown Apartments,
Thiruvalluvar Nagar, Main Road,
Alandur, Chennai 600 016.

BANKERS : **M/s. Lakshmi Vilas Bank Ltd.,**
Cathedral Road Branch, Chennai – 600 086.

M/s Indian Overseas Bank
Cathedral Road Branch, Chennai 600 086.

M/s Canara Bank
T.Nagar Branch, Chennai 600 017.

REGISTERED OFFICE : **“CAPITAL PLACE”**
New No.16 (Old No. 50), South Boag Road
T Nagar, Chennai 600 017.
E-mail Id: abicompliance@afslindia.com
Phone No. 044 – 24356224

REGISTRARS AND TRANSFER AGENTS : **M/s. Cameo Corporate Services Limited**
1, Club House Road, Chennai - 600 002.
Phone No.(044) 28460390-6 Lines, 2846 0084
Fax No. (044) 28460129
E-Mail ID: cameo@cameoindia.com



CONTENTS

Notice to shareholders	3
Board's Report	12
Management discussion and analysis Report	18
Annexure to Board's Report	19
Independent Auditor's Report	33
Balance sheet	40
Profit and Loss account	41
Notes / Schedules	43
Notes on Accounts	57
Cash flow statement	60
Auditor's Certificate	62



NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of Abirami Financial Services (India) Limited will be held on Monday, 28th Day of September, 2020 at 11.30 A.M. IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020, together with the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass with or without modification the following resolution as **Ordinary Resolution:-**

"RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended on 31st March 2020, together with the Reports of the Board of Directors and Auditors thereon, for the year ended 31st March, 2020, be and are hereby considered and adopted."

2. To appoint a Director in place of Mrs. Muthulakshmi Ganesh (DIN 00286658), Director, who retires by rotation and, being eligible, seeks re-appointment as a Director and in this regard, to consider and if thought fit, to pass with or without modification the following resolution as **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Muthulakshmi Ganesh (DIN 00286658), who retires by rotation at this Meeting and being eligible, has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. Re-appointment of Mr. P. Sankaran, as Whole time Director of the Company.

To Consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:-**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. P Sankaran (DIN 00404210) as a Whole-time Director, designated as Executive Director, for a period of 3 (Three) years with effect from 19th June, 2020 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said reappointment and / or remuneration as it may deem fit.

RESOLVED FURTHER THAT the remuneration payable to Mr. P. Sankaran, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.



RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

BY THE ORDER OF THE BOARD

-sd-

Place: Chennai

Date : 31/08/2020

**P SANKARAN
(00404210)**

NOTES:

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the 27th AGM shall be the Registered Office of the Company.
2. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.
3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars No. 14/2020 dated April 08, 2020, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto
4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company’s website www.afslindia.com, websites of the Stock Exchanges, i.e., BSE Limited at www.bseindia.com. The AGM/EGM Notice is also disseminated on the website of CDSL i.e. www.evotingindia.com
6. Corporate Members intending to authorize their representatives to attend the Meeting are requested to send scanned certified copy of the board resolution (pdf/jpeg format) authorizing their representative to attend and vote on their behalf at the Meeting.



7. The Register of Members and Share Transfer Books of the company will remain Closed from 22nd day of September, 2020 to 28th day of September, 2020 (Both days inclusive).
8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 ("the Act") and Register of Contracts or Arrangements in which directors are interested maintained under Section 189 of the Act will be available electronically for inspection by the members during the time of AGM
9. Details pursuant to Regulation 26 of SEBI (LODR) Regulations, 2015 in respect of Directors retiring by rotation/ seeking appointment / re-appointment at this Annual General Meeting are annexed hereto.
10. The link to attend the AGM will be shared separately via email before the meeting.
11. 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.
12. Participation of Members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.
13. Facility of joining the AGM through VC / OAVM shall be kept open 15 minutes before the time scheduled for the AGM and will be available for members on first come first serve basis.
14. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM:

15. Voting through electronic means
 - a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
 - b. The voting period begins on 25th September, 2020 at 9.00 a.m. and ends on 27th September, 2020 at 05.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in Dematerialized form, may cast their vote electronically. The cut-off date (record date) is Monday 21st day of September, 2020. The e-voting module shall be disabled by CDSL for voting thereafter.



- c. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

The instructions for shareholders voting electronically are as under:

- i. The shareholders should log on to the e-voting website www.evotingindia.com
- ii. Click on Shareholders.
- iii. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company /Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN of Abirami Financial Services (India) Limited on which you choose to vote.



- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvi. If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xviii. Note for Non – Individual Shareholders and Custodians:-
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s)/folio numbers for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- xx. The results shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.



INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at abi@afslindia.com.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.



If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

12. The Board of Directors has appointed Mr. G. Porselvam, Practicing Company Secretary as the Scrutinizer for conducting remote e-voting process in a fair and transparent manner.
13. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizers Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
14. The Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period.
15. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to CAMEO / Investor Services Department of the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative, Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant for convenience of the Members and proper conduct

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Mr. P. Sankaran, who was appointed as whole time Director (Designated as Executive Director) by the members to hold office upto 18th June, 2020 and he had crossed the age of 70 years. As per the