

16th
ANNUAL REPORT
2001 - 2002



AD-MANUM FINANCE LIMITED

'Agarwal House', Second Floor
5, Yeshwant Colony, Indore (M.P) - 452 003

AD-MANUM FINANCE LIMITED**BOARD OF DIRECTORS**

- Mr. Vinod Kumar Agarwal - *Managing Director*
- Mr. J.N. Choudhury - *Director - In - Charge*
- Mr. Dipak K. Kalani - *Director*
- Mr. Ajay Mittal - *Director*
- Mr. Sudama Tiwari - *Director*

AUDITORS

- M/s. Mahendra Badjatya & Company
Chartered Accountants
208, Morya Center, 16 Race Course Road,
Indore (M.P).

BANKERS

- UCO BANK

REGISTERED OFFICE

'Agarwal House', Second Floor
5, Yeshwant Colony,
Indore (M.P) - 452 003

OFFICES

Sendhwa, Dhulia, Jalgaon, Bhuj, Rajkot, Junagadh, Mehasana, Nandurbar & Amreli.

SHARE TRANSFER AGENT

(For Physical Mode)

'Agarwal House' Second Floor, 5, Yeshwant Colony, INDORE (M.P) 452 003
Ph. 538874, 539575 Fax : 091-731-531388 E-mail : agarcoal@mantrafreenet.com

(For Electronic Mode)

Mondkar Computers Pvt. Ltd.
21, Shakil Niwas Mahakali Caves Road, Andheri (East), MUMBAI - 400093
Ph. 8257641, 8366620 Fax : 091-022-8211996 E-mail : mcplrt@bom7.vsnl.net.in

AD-MANUM FINANCE LIMITED**NOTICE**

NOTICE IS HEREBY given that the 16th Annual General Meeting of the members of Ad-Manum Finance Ltd. will be held at Hotel Surya 5/5, Nath Mandir Road, Indore-452 001 (M.P.) on Monday the 30th September, 2002 at 11: 00 A.M. to transact the following businesses :-

ORDINARY BUSINESS

1. To consider and adopt the audited Balance Sheet as at 31/03/2002, and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Dipak K Kalani, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration.

SPECIAL BUSINESS**RE-APPOINTMENT OF MANAGING DIRECTOR**

4. To consider, and if though fit, to pass with or without modifications, if any the following resolution as an Ordinary Resolution;

"RESOLVED THAT pursuant to the provisions of sections 198, 268, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force and subject to such approvals, the consent of the Company be and is hereby accorded to the re-appointment of **Shri V.K. Agarwal**, as the Managing Director of the Company to hold Office for a period of 5 (Five) years effective from 01/10/2002 on the terms and conditions as have been set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting with a liberty to the Board to vary, alter and modify such salary & perquisites so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 or any statutory modifications or re-enactments thereof as may

be agreed to by the Board of Directors or any committee thereof and **Shri V.K. Agarwal**."

5. To consider and if though fit, to pass with or without modification, following resolution as an Ordinary Resolution;

"RESOLVED THAT Mr. J.N. Choudhury, who was appointed as an Additional Director of the Company by the Board of Directors and who holds the office upto the date of this Annual General Meeting pursuant to the provisions of section 260 of the Companies Act, 1956 ("the Act,") is eligible for appointment and the Company has received notice in writing pursuant to the provisions of section 257 of the Act from some members of the Company proposing his candidature for the office of director of the company, and who has consented, to act as a director, be and is hereby appointed a director liable to retire by rotation."

- 6) To consider, and if though fit, to pass with or without modifications the following resolution as an ordinary Resolution;

"RESOLVED THAT in accordance with the provisions of section 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") and subject to the limits prescribed under the Act and also subject to such approvals as are necessary, consent of the Company be and is hereby accorded to the appointment of **Mr. J.N. Choudhury**, as a Whole-Time Director of the company designated as Director -in-charge with effect from 01/07/2002 for a period of two years on the terms and conditions a mentioned in the annexed explanatory statement.

- 7) To consider, and if though fit, to pass with or without modifications the following resolution as an ordinary Resolution;

"RESOLVED THAT Mr. Ajay Mittal, who was appointed as an Additional Director of the Company by the Board of Directors and who holds the office upto the date of this Annual General Meeting pursuant to the provisions of Section 260 of the Companies Act, 1956

AD-MANUM FINANCE LIMITED

("the Act,") is eligible for appointment and the Company has received notice in writing pursuant to the provisions of section 257 of the Act from some members of the Company proposing his candidature for the office of director of the company, and who has consented, to act as a director, be and is hereby appointed a director liable to retire by rotation."

Registered Office
"Agrawal House" Second Floor,
5, Yeshwant Colony,
Indore - 452 003 (M.P.)
Place : INDORE
Date : 07/08/2002

By Order of the Board
sd/-
V.K.AGARWAL
MANAGING DIRECTOR

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.
2. The Register of members and share Transfer Books of the Company will remain closed from Saturday the 28th September, 2002 to Monday, the 30th September, 2002 (Both days inclusive).
3. Shareholders desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
4. Members are requested to notify immediately any change in their address to the Company or to their concerned Depository.
5. Members are requested to quote their folio numbers/Demat a/c number & DPID in all correspondence with the Company.
6. Members are requested to bring their copies of the Annual Report to the Meeting.
7. Shareholders who have not yet claim/encashed their Dividend warrant are advised to take steps to realise the same.

**EXPLANATORY STATEMENT PURSUANT
TO SECTION 173 OF THE COMPANIES
ACT, 1956**

ITEM NO. 4

The tenure of Mr. V.K.Agarwal the Managing Director of the Company is going to expire on 30/09/2002. The Board of Directors at its meeting held

on 07/08/2002 approved the re-appointment and remuneration of Shri V.K.Agarwal, as Managing Director for a further period of 5 (Five) years effective from 01/10/2002 subject to the approval of the members in the Annual General Meeting on such salary and perquisites as per details furnished below.

I SALARY

In the scale of Rs.40000/- to Rs.75000/- per month with authority to the Board to fix his salary within the above scale from time to time.

II PERQUISITES/ALLOWANCES

In addition to salary Shri V.K.Agarwal, shall be entitled to a furnished accommodation and conveyance of the Company for the purpose of the business of Company.

EXPLANATION

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income tax Rules, 1962, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

Notwithstanding anything specified herein above, where in any financial year during the tenure of V.K.Agarwal, as Managing Director, of the Company if the Company has no profits or its profits are inadequate, the Board of Directors are hereby authorised to pay him remuneration by way of salary & perquisites not exceeding the limits specified in part II of Schedule XIII of the Act, as minimum remuneration.

Power is also being taken in terms of this Resolution for the Board to effect any variations, alterations or modifications in future in respect of the re-appointment and remuneration of Shri V.K.Agarwal.

This may be treated as an abstract of the terms of the agreement pursuant to section 302 of the Act.

None of the Director except Shri V.K.Agarwal is concerned or interested in this resolution.

AD-MANUM FINANCE LIMITED**ITEM NO. 5 & 6**

Mr.J.N.Choudhury, was appointed as additional director by the Board of Directors of the Company ("the Board") at its meeting held on 01/07/2002 with effect from 01/07/2002. Pursuant to the provisions of section 260 of the Companies Act, 1956 ("the Act"). Mr.J.N.Choudhury holds the office upto the date of 16th Annual General Meeting of the Company. A notice have been received from members of the Company in pursuance of section 257 of the Act, along with deposit of Rs.500/- proposing Mr.J.N.Choudhury, as a candidate for the office of Director of the Company. Mr.J.N.Choudhury, has given his consent, to act as a director of the Company.

Mr.J.N.Choudhury, aged about 40 years is MIBM, MBA(F) having total experience of about 10 years prior to his present appointment as a Director-in-charge of the Company. He happened to be the Sr. General Manager (Finance) of the Company and had been in the contineous employment of the Company since last nine years. Keeping in view his long association and involvement in overall day to day working of the Company the Board stepeed up his office from Sr. General Manager (Finance) to the Director-in-charge. His terms of appointment are as under :-

Period of appointment- 2 years

Dated of appointment - 01/07/2002

Salary - Rs.12000-1000-14000

Perquisites -

- i) Bonus, PF. & Gratuity as per the rules of the Company.
- ii) Reimbursement of Actual conveyence expenses.
- iii) Free telephone at Residence.

Duties -

As may be delegated to him by the Board of Directors of the Company from time to time.

This may be treated as an abstract of the terms of the Agreement pursuant to section 302 of the Act,

None of the Directors except Mr. J.N Choudhury is concerned or interested in the resolution proposed at item no. 5 & 6.

ITEM NO.7

Members must be aware that, SEBI had through the Stock Exchanges by amendment to the listing agreement, introduced the concept of corporate governance in a phased manner. This involves the constitution of audit committee, broadbasing board, increased information sharing etc. The above requirements are applicable for your Company from the current financial year. As a step to implement the same, it is proposed to broadbase the board by introduction of an independent director Mr.Ajay Mittal.

Mr.Ajay Mittal, was appointed as additional director by the Board of Directors of the Company ("the Board") at its meeting held on 01/04/2002 with effect from 01/04/2002. Pursuant to the provisions of section 260 of the Companies Act, 1956 ("the Act"). Mr.Ajay Mittal, holds the office upto the date of 16th Annual General Meeting of the Company. A notice have been received from members of the Company in pursuance of section 257 of the Act, along with deposit of Rs.500/- proposing Mr.Ajay Mittal, as a candidate for the office of Director of the Company. Mr.Ajay Mittal, has given his consent, to act as a director of the Company.

Mr.Ajay Mittal aged 30 years is a commerce graduate & Diploma holder in Computer application having good knowledge of accounts, etc having an experience of more than 8 years. His period of office shall be subject to retirement by rotation.

None of the Director of the Company is concerned or interested in the above resolution.

Registered Office
"Agrawal House" Second Floor,
5, Yeshwant Colony,
Indore - 452 003 (M.P.)

By Order of the Board
sd/-

V.K.AGARWAL

Place : INDORE

MANAGING DIRECTOR

Date : 07/08/2002

AD-MANUM FINANCE LIMITED**DIRECTOR'S REPORT**

Your Directors have pleasure in presenting herewith the 16th Annual Report and Audited Accounts for the year ended on 31st March, 2002 and report as under :-

1. FINANCIAL RESULTS

| | Current Year(Rs.) | Previous Year(Rs.) |
|---|------------------------------|-------------------------------|
| Profit before Depreciation- | | |
| Interest & other Adjustments | 13326385 | 6433873 |
| Less : Interest | 4882688 | 2454224 |
| : Depreciation | 350555 | 860686 |
| Profit before Tax | 8093142 | 3118963 |
| Less : Provision for current Income Tax | 2400000 | 1765000 |
| Provision for deferred Income Tax | 60000 | --- |
| Expenses relating to Earlier Year | --- | 12760 |
| Provision for Gratuity Current Year | 64427 | --- |
| Provision for NPA | 410444 | --- |
| Add : Income Tax of Earlier Year | 4983 | --- |
| | 5163254 | 1341203 |
| Less : Gratuity for Earlier Year | 222486 | --- |
| Profit for the Year | 4940768 | 1341203 |
| Add : Balance of Profit B/F | 2176507 | 1105304 |
| Amount Available for Appropriation | 7117275 | 2446507 |
| APPROPRIATIONS : | | |
| Transfer to Statutory reserves as per RBI Act | 1000000 | 270000 |
| Transfer to General Reserve | 3000000 | --- |
| Balance Carried to Balance Sheet | 3117275 | 2176507 |
| | 7117275 | 2446507 |

2. DIVIDEND

With a view to conserve the resources for strengthening the working capital base of the Company no Dividend is recommended by the Board of Directors for the year.

3. DIRECTORS

During the year Shri J.N.Choudhury and Shri Ajay Mittal were appointed as additional Director of the Company and Shri Dipak K.Kalani retires by rotation and being eligible offer himself for reappointment. Mr. Dharampal Agarwal resigned from the Board and in place Mr. Sudama Tiwari appointed as an ordinary Director. Except this There is no other change in the constitution of Board of Directors of the Company.

4. PUBLIC DEPOSITS

The Company has neither invited nor accepted any deposits during the year and also Complied with the requirements of Non-Banking financial companies Reserve Bank directives and the rules made thereunder.

5. PARTICULARS OF EMPLOYEES

There was no employee drawing salary of Rs. 200000/- per month or Rs.2400000/- per annum.

6. PARTICULARS U/S 217 (i) (e) OF THE COMPANIES ACT, 1956

Since the Company does not carry on any industrial activity, therefore, the information required in accordance with the provisions of section 217 (1) (e) of the Companies Act,1956 need not be furnished by the Company.

7. DIRECTOR'S RESPONSIBILITY STATEMENT

The Statement as required under section 217 (2AA) of the Companies Act,1956 is given in Annexure "A" forming a part of this report.

8. CORPORATE GOVERNANCE

The Company is listed at Mumbai, Indore & Ahmedabad stock Exchange. The paid up capital of the Company is Rs. 3 Crore. As per the clause 49 of the listing agreement the Company is required to follow up the corporate governance from the financial year 2002-2003 accordingly the company has taken steps to constitute audit committee and to follow the other requirements within the stipulated time.

AD-MANUM FINANCE LIMITED**9. AUDITORS**

M/s Mahendra Badjatya & Company, Chartered Accountants, retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for reappointment.

10. ACKNOWLEDGMENT

The Board acknowledges with gratitude, the co-operation and assistance provided by the Company's Bankers. Your directors also thank the shareholders for their continued support.

By Order of the Board

sd/-

Place : INDORE

V.K.AGARWAL

Date : 07/08/2002 **MANAGING DIRECTOR**

ANNEXURE "A" TO DIRECTOR'S REPORT

Director's Responsibility Statement as required under section 217 (2AA) of the Companies Act, 1956 (The Act) :

- (i) That in the preparation of the annual accounts for the year ended 31st March, 2002 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the above period;
- (iii) That the Director had taken proper & sufficient care for the maintenance of adequate accounting records on Computer in accordance with the provisions of the Act for safeguarding the assets of the Company & for preventing & detecting fraud & other irregularities;
- (iv) That Directors had prepared the annual accounts on a going concern basis.

By Order of the Board,

sd/-

Place : INDORE

V.K.AGARWAL

Date : 07/08/2002 **MANAGING DIRECTOR**

AUDITOR'S REPORT

To,
The Members of
Ad-Manum Finance Limited,
INDORE.

We have audited the attached Balance Sheet of M/s. Ad-Manum Finance Limited as at 31st March 2002 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company management. Our responsibility is to express an opinion on these financial statements base on our audit.

We 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 statements. 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Manufacturing and other companies (Auditor's Report Order 1988 by the Central Government of India in terms of sub Section (4A) of section 227 of the Companies Act 1956 we enclose in the Annexure a statement of the matters specified in paragraphs 4 & 5 of the said order.

Further to our comments in the Annexure referred to in Paragraphs I above, we report that:-

- i) We have obtained all the informations and explanations which to best of our knowledge and belief were necessary for the purpose of our audit.
- ii) In our opinion, proper books of account as required by law have been kept by the Company 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 31 st March'2002 and