

*21<sup>st</sup>*

**ANNUAL REPORT**

*2006 - 2007*



**AD-MANUM FINANCE LIMITED**

*'Agarwal House', Ground 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. Aseem Trivedi - Director
- Mr. Vishnu Gupta - Director
- Mr. D.P. Kori - Director

### **AUDITORS**

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

### **COMPANY SECRETARY**

- Mr. Mohd. Raees Sheikh

### **BANKERS**

- UCO Bank

### **REGISTERED OFFICE**

- 'Agarwal House', Ground Floor,  
5, Yeshwant Colony, Indore (M.P.) - 452 003  
Ph.: 91-731-2538874, 2431709 and 2539575  
Fax: 91-731-4040805  
E-mail: ho@admanumfinance.com  
Web-site : www.admanumfinance.com

### **MARKETING OFFICES**

Indore, Sendhwa, Neemuch, Dhulia, Jalgaon, Nandurbar, Chalisgaon, Shirpur, Bhuj, Rajkot, Junagarh, Amreli, Mehsana, Surendranagar, Veraval, Himmatnagar, Gandhidham, Ahmedabad, Anand, Palanpur, Udaipur & Chennai.

### **SHARE TRANSFER AGENT**

(For Physical & Electronic Mode)

M/s Ankit Consultancy Pvt. Ltd

IIInd Floor, Alankar Point, Geeta Bhawan Chouraha, A.B. Road, Indore (M.P.) - 452 001

Ph. 91-731-2491298, Fax : 91-731-4065798

E-mail : ankitind@sancharnet.in, ankit\_4321@yahoo.com



## AD-MANUM FINANCE LIMITED

### NOTICE

**NOTICE IS HEREBY** given that the 21st Annual General Meeting of the members of M/s Ad-Manum Finance Limited will be held on Friday the 28th day of September, 2007 at Hotel Surya 5/5, Nath Mandir Road, Indore - 452 001 (M.P.) at 11.00 A.M. to transact the following business:

#### **ORDINARY BUSINESS**

1. To consider and adopt the Audited Balance Sheet as at 31.03.2007 and the Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To declare a dividend on Equity Shares for the year ended 31st March, 2007.
3. To appoint a Director in Place of Mr. D.P. Kori, who retires by rotation and being eligible, offer himself for re-appointment.
4. To Appoint Auditors and to fix their remuneration.

Registered Office

"Agrawal House" Ground Floor,  
5, Yeshwant Colony, Indore - 3 (M.P.)

**By Order of the Board**

sd/-

Place : INDORE

VINOD K. AGARWAL

Date : 27/08/2007

**MANAGING DIRECTOR**

#### **SPECIAL BUSINESS**

5. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary resolution:

**"RESOLVED THAT** pursuant to the provisions of section 198, 269, 309, 310, 311 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 renewal of appointment of Mr. Vinod Kumar Agarwal, as the Managing Director of the Company to hold Office for a period 5 (Five) years effective from the 1st Day of October 2007 on the terms and conditions as 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-enactment thereof as may be agreed to by Board of Directors or any committee thereof and Mr. Vinod Kumar Agarwal."

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

**"RESOLVED THAT** pursuant to the provisions of

section 198, 269, 309, 310, 311 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 renewal of appointment of Mr. Jayanta Nath Choudhury, as the Whole-time -director designated as Director-In-Charge of the Company to hold office for a period of one year nine months from 1st Day of July 2007 to 31st Day of March 2009 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-enactment thereof as may be agreed to by Board of Directors or any committee thereof and Mr. Jayanta Nath Choudhury."

#### **NOTES**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday the 26th day of September 2006 to Friday the 28th day of September 2007 (Both days inclusive).
3. Payment of dividend, if declared, will be made on or after the date of Annual General Meeting to those members whose names appear on the Register of Members of the Company on 28th September 2007.
4. 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.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
6. Shareholders are requested to bring their copy of the Annual Report to the Meeting.
7. Members/Proxies should fill the Attendance Slip for attending the meeting.
8. Shareholders are requested to address their correspondence, including a change in their address, if any, to the R&T Agents of the Company.



## AD-MANUM FINANCE LIMITED

9. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
10. As per section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in the prescribed form to the R&T Agents of the Company.
11. At the ensuing Annual General Meeting, Shri D.P. Kori, retire by rotation and being eligible offer themselves for reappointment. The information relating to the above director to be provided in terms of Clause 49 of the Listing Agreement are included in the report on Corporate Governance published in this annual report.
12. Shareholders who have not yet claimed/encashed their Dividend warrant are advised to take steps to realize the same.

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

#### ITEM NO. 5

The tenure of Mr. Vinod Kumar Agarwal, Managing Director of the Company is going to expire on 30th Day of September 2007. The Board of Directors of the Company at its meeting held on 27th Day of August 2007 approved the renewal of appointment and remuneration of Mr. Vinod Kumar Agarwal, as Managing Director for a further period of 5(five) years effective from 1st Day of October 2007 subject to the approval of the members in the Annual General Meeting on such salary and perquisites (Allowances) as per details furnished below:

#### I. SALARY

In the scale of Rs. 75000-10000-115000 per month with authority to the Board to fix his salary within the above scale from time to time.

#### II. PERQUISITES

In addition to salary Mr. Vinod Kumar Agarwal, shall be entitled to a furnished accommodation and conveyance of the Company for the purpose of the business.

#### 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 anytime specified herein above, where in any financial year during the tenure of Mr. Vinod Kumar Agarwal, as Managing Director, of the Company if the Company has no profits or its profits are inadequate, the Board of Directors are hereby authorized 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 renewal of appointment of Mr. Vinod Kumar Agarwal.

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. Vinod Kumar Agarwal in concerned or interested in this resolution.

#### ITEM NO. 6

The Board of Directors of the Company approved the appointment of Mr. Jayanta Nath Choudhury as Whole-time-director designated as Director-In-Charge for the period from 1st Day of July 2007 to 31st Day of March 2009 on its meeting on 31st day of July 2007.

The tenure of office of Mr. Jayanta Nath Choudhury was expired on 30th Day of June 2007 and the Board of Directors of the Company in its meeting held on 31st Day of July 2007 approved his renewal of appointment as Whole-Time-Director designated as Director-In-Charge of the Company for further period from 1st Day of July 2007 to 31st Day of March 2009, subject to the approvals of the members of the Company in the ensuing Annual General Meeting on the following terms:

Period of	: w.e.f. 01/07/2007 to 31/03/2009
Appointment	
Salary	: Rs. 22500-2500-25000 (increment w.e.f. 1st April 2008)
Perquisites	: Reimbursement of conveyance expenses, PF, Bonus & Gratuity as per the rules of the company.
Incentives	: (1) 0.125% p.m. of the total finance Amount including channel/ other, if any (2) 0.05% p.m. of the DSA finance.

#### Duties:

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

The Board of Directors recommends the said resolution seeking the approval & consent of the shareholders as per the provisions of the Companies Act, 1956.

None of the Directors except Mr. Jayanta Nath Choudhury in concerned or interested in this resolution.

#### Registered Office

"Agrawal House" Ground Floor,  
5, Yeshwant Colony, Indore - 3 (M.P.)

Place : INDORE

Date : 27/08/2007

#### By Order of the Board

sd/-

VINOD K. AGARWAL  
MANAGING DIRECTOR



# AD-MANUM FINANCE LIMITED

## DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 21st Annual Report and Audited Accounts for the year ended on 31st March 2007.

### 1. FINANCIAL RESULTS

(Amount in Rs.)

	Current Yr.	Previous Yr.
Profit before Depreciation,		
Interest & other adjustments	47335241	47649094
Less : Interest	20072669	19222287
: Depreciation	7038659	4019729
Profit before Tax	20223913	24407078
Less : Provision for		
current Income Tax (MAT)	2270000	3900000
: Provision for		
deferred Income Tax	7637417	3604750
: Provision for Fringe		
Benefit Tax	192725	305000
: Income Tax for earlier year	(36304)	74359
: Provision for NPA	927520	(25869)
Profit for the year	9232555	16548838
Add : Balance of Profit B/F	5050222	5197134
Amount available for		
appropriation	14282777	21745972

### APPROPRIATIONS:

Proposed dividend (@10%)	3000000	3000000
Corporate Tax on		
Proposed dividend	509850	420750
Transfer to NBFC Reserve	1845000	3275000
Transfer to General Reserve	—	10000000
Balance carried to Balance Sheet	8927927	5050222

### TOTAL RS.

14282777	21745972
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### 2. DIVIDEND

The Board of Directors recommend payment of dividend @ 10% for the year ended on 31st March, 2007.

### 3. DIRECTORS

During the year Mr. D.P. Kori, retires by Rotation and being eligible offer himself for reappointment.

### 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 there under.

### 5. DISCLOSURES AS PER TERMS OF PARAGRAPH 9BB OF NON-BANKING FINANCIAL COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 1998.

The disclosures as required under Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 is enclosed with the balance sheet.

### 6. PARTICULARS OF EMPLOYEES

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

### 7. 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.

### 8. DIRECTOR'S RESPONSIBILITY STATEMENT

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

I. In the preparation of the annual accounts the applicable accounting standards have been followed;

II. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March 2007 and of the profit of the Company for the year ended on that date;

III. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records on computer 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; and

IV. The Directors have prepared the annual accounts of the Company on a 'going concern' basis.

### 9. COMMERCIAL ASSOCIATE BUSINESS WITH HDFC BANK LTD.

The Company has achieved good amount of business from Commercial Association With HDFC Bank Ltd.

### 10. DIRECT SALES AGREEMENT (DSA) WITH TML FINANCIAL SERVICES LIMITED.

During the year the Company entered into an agreement/ arrangement with TML Financial Services Ltd. as their DSA. The Company has achieved good amount of business from this and look for better results in the future.

### 11. CORPORATE GOVERNANCE

A separate report on Corporate Governance and a certificate from the Auditors of the Company regarding the compliance of conditions thereof as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, is annexed.

### 12. AUDITORS AND AUDITOR'S REPORT

M/s Mahendra Badjatya & Company, Chartered Accountants, retire at the conclusion of ensuing Annual General Meeting and eligible offer themselves for re-appointment. The Auditor's Report is self-explanatory hence there is no need of any comments.

### 13. ACKNOWLEDGMENT

The Board of Directors places its sincere gratitude for the assistance and co-operation received from Banks, Customers and Shareholders. The Directors take the opportunity to express their sincere appreciation for the dedicated services of the Executives and staffs for their contribution to the overall performance of the Company.

Registered Office  
"Agrawal House" Ground Floor,  
5, Yeshwant Colony, Indore - 3 (M.P.)

Place : INDORE

Date : 27/08/2007

By Order of the Board

sd/-

VINOD K. AGARWAL  
MANAGING DIRECTOR

**AD-MANUM FINANCE LIMITED****CORPORATE GOVERNANCE REPORT****Company's philosophy on Corporate Governance:**

Ad-Manum Finance Limited recognizes the ideals and importance of Corporate Governance and acknowledges its responsibilities towards all stakeholders including customers, employees, regulatory authorities and shareholders.

**1. BOARD OF DIRECTORS****a. Composition & Category of Directors**

Name of Directors	Designation	Category
<b>Mr. Vinod Kumar Agarwal</b>	<b>Managing Director</b>	<b>Executive</b>
<b>Mr. J.N. Choudhury</b>	<b>Director-In-Charge</b>	<b>Executive</b>
<b>Mr. Aseem Trivedi</b>	<b>Director</b>	<b>Independent &amp; Non-Executive</b>
<b>Mr. Vishnu Gupta</b>	<b>Director</b>	<b>Independent &amp; Non-Executive</b>
<b>Mr. Devi Prasad Kori</b>	<b>Director</b>	<b>Independent &amp; Non-Executive</b>

Brief Resume of Director being reappointed, nature of his expertise in specific functional area and names of the Companies in which he holds the directorship and the membership of Committees of the Board are as under:

Mr. D.P. Kori is a Director of the Company. He is Master of Commerce and having wide experience in the field of Accounts etc.

**b. Attendance Record of Directors**

Name of Directors	No. of Board Meeting Attended	Last AGM whether attended	Other Directorships	Committee Membership/ Chairman
<b>Mr. Vinod Kumar Agarwal</b>	<b>10</b>	<b>Yes</b>	<b>5</b>	<b>-</b>
<b>Mr. J.N. Choudhury</b>	<b>10</b>	<b>Yes</b>	<b>-</b>	<b>-</b>
<b>Mr. Aseem Trivedi</b>	<b>3</b>	<b>Yes</b>	<b>-</b>	<b>2</b>
<b>Mr. Vishnu Gupta</b>	<b>2</b>	<b>Yes</b>	<b>-</b>	<b>2</b>
<b>Mr. Devi Prasad Kori</b>	<b>8</b>	<b>Yes</b>	<b>1</b>	<b>2</b>

During the financial year 2006-2007 the Board of Directors met 10 times on 29-04-2006, 20.06.2006, 31-07-2006, 02-08-2006, 25-08-2006, 11-09-2006, 30-10-2006, 13-12-2006, 29-01-2007, and 26-03-2007.

**2. AUDIT COMMITTEE**

During the year there is no change in the constitution of Audit Committee.

❖ The terms of reference stipulated by the Board of Directors to the Audit Committee are, as contained in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, major of which are as follows :

- Oversight of the Company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual statements before submission to the Board, focusing primarily on; major accounting entries, any change in accounting policies, qualifications in draft audit report, compliance with accounting standards, compliance with Stock Exchange and legal requirements and any related party transactions.





## AD-MANUM FINANCE LIMITED

- iv. Reviewing with management, external and internal auditors, the adequacy and compliance of internal control systems.
- v. Discussion with external auditors before the audit commences about the nature and scope of audit.
- vi. Reviewing the Company's financial & risk management policies.

During the year, the Committee has met 5 times on 28/4/06, 31/7/06, 25/8/06, 28/10/06, 29/01/07. The details composition and attendance of the members of the Audit Committee in the meetings are as follows:

Name	Position	Meetings Held	Meeting Attended
Mr. Aseem Trivedi	Chairman	5	4
Mr. Vishnu Gupta	Member	5	4
Mr. D.P. Kori	Member	5	5

### 3. INVESTOR GRIEVANCE COMMITTEE

- ❖ The Committee, inter alia, approves issue of duplicate share certificates and oversees and reviews all matters connected with securities transfers. The Committee also looks into redressal of shareholder's complaints like transfer of shares, non-receipt of balance sheet etc.
  - ❖ The Board of Directors, to expedite the process of share transfers, has delegated the power of share transfer to the Registrar & Share Transfer Agent of the Company.
  - ❖ The Committee oversees the performance of the Registrar & Share Transfer Agent of the Company.
- During the year total number of complaints received were 5 and replied to the satisfaction of shareholders. Outstanding complaints as on 31st March, 2007 were NIL.

### 4. REMUNERATION COMMITTEE

This is the non-mandatory requirement of Clause 49 of the Listing Agreement. The board has not formed the Remuneration Committee and all the decision of appointment and remuneration of directors are taken by the Board of Directors and approved by the shareholders in the general meeting (if necessary).

Details of the remuneration paid to the directors during the year under review are as under:

<u>Name of Directors</u>	<u>Amount</u>	<u>Period of appointment</u>
<b>Mr. Vinod Kumar Agarwal (M.D.)</b>		
- Salary	480000	Appointed for 5-years w.e.f. 01.10.2002
- House Rent	300000	
<b>Mr. J.N. Choudhury (Director-in-Charge)</b>		
- Salary	231000	Appointed for 2-years w.e.f. 01.07.2005
- Bonus	8400	
- P.F.	9360	
- Conveyance Allowance	24000	

### 5. ANNUAL GENERAL MEETINGS

Year	Location	Date	Time	No. of Special Resolution passed
2003-04	Hotel Surya, 5/5, Nath Mandir Road, Indore (M.P.)	30.09.04	11.00 AM	1
2004-05	Hotel Surya, 5/5, Nath Mandir Road, Indore (M.P.)	30.09.05	11.00 AM	Nil
2005-06	Hotel Surya, 5/5, Nath Mandir Road, Indore (M.P.)	28.09.06	11.00 AM	Nil

**AD-MANUM FINANCE LIMITED**

During the year ended on 31st March 2007, there have been no resolutions passed by the Company - shareholders through postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed by postal ballot.

**6. DISCLOSURES**

- a) Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that have potential conflict with the interests of the Company at large.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

- b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There is no instance of non-compliance by the Company and no penalties, strictures etc. imposed on the Company by the Stock Exchange, SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.

**7. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT****Industry Structure and developments:**

Finance is one of the basic needs of the human being. The automobile industry during the recent past has been looking up the transport operators and average middle-income group are getting adequate financial support from private banks, financiers. This has resulted in tendency of procuring vehicle with easy repayment of installments. This has resulted in more demand for finance.

The Company is financing to the new & old vehicles for the purpose of middle/lower income group to provide adequate financial support.

Now a days most of the vehicles are purchased through finance because of the lowest rate of interest and easy installments. Company is also secured in all respects under the hypothecation endorsement in R.C. Book at R.T.O.

Our system & procedure are so attracted in comparison with the other finance companies, our main intention is to provide better facility and quick services to the customers as per there need,

The Management of the Company is always ready to provide better customer services with the motivation of staff, reducing the cost of funds with effective use of funds and also due to best Management controlling system our NPA is negligible.

The Company is mainly financing to new & old vehicles of HCVs, LCVs, MUVs, Cars & Three-wheelers too. Though there is a heavy competition in the vehicle finance due to major NBFCs, Private Banks & Nationalized Banks but we are still comfortable with our customer segments of various sectors, which are untouched by the others.

Your Company has also strengthened the marketing efforts regularly and presently have 22 marketing offices at Maharashtra, Gujarat, M.P. and Tamilnadu.

**Opportunities and Threats:**

The Company's Management reveals that the second hand/new vehicle finance sector has good potential because the remote locations are away from the range of Banks and Institutions.

On the above assumption, Company is going in the positive direction and during the year open a new branch and response from this branch is also positive.

Further, a major threat appears to be on account of further reduction in interest rates trends in takes over of loans, which might affect the profitability of the Company. However your Company is confident



**AD-MANUM FINANCE LIMITED**

f facing the challenges and is optimist about the sustenance of this finance segment for quite a long time.

**Segment-wise performance:**

The Company Operating in two segments i.e. wind mill Power Generation Segments and Finance segments, The details of performance are given under respective head in Balance Sheet.

**Risk and Concern:**

Though the management of Company is quite meticulous about the security and recovery aspect of each finance file, which reflects from the fact that the overall Net NPA recognized by the Company, is only to the tune of Rs. 1923652/-.

Your Company will continue to adopt strategies to register significant increase in business volumes, and would intimate still more concentrated efforts to maintain the NPA level to its minimum.

**Internal Control Systems**

The Company has a proper and adequate Internal Control System to ensure that all assets are safeguarded, and protected against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly.

The Company, in consultation with its Statutory Auditors, periodically reviews and ensures the adequacy of Internal Control Procedures for the orderly conduct of business and also includes a review to ensure overall adherence to management policies and applicable laws & regulations. Cost control measures, especially on major cost determinants, have been implemented.

**Human Resources Developments**

During the year under review, the Company continued its emphasis on Human Resource Development as one of the critical area of its operation.

Executives and officers of the Company having high potential in the field of Finance, Accounts and Computer were regularly visiting at branch offices with a view to updating their knowledge and to keep them abreast of the present day finance scenario for meeting the challenges ahead.

Further, the Company also organizes annually; training programme at its Head Office, Indore for face-to-face interaction of all branch personals with head office personals.

**8. CODE OF CONDUCT**

The Board of Directors has already adopted the Code of Ethics & Business Conduct for the Directors and Senior Management Personnel. This Code is a comprehensive code applicable to all Directors, Executive as well as Non-executive and members of the Senior Management.

The code has been circulated to all the members of the Board and Senior Management Personnel and they have affirmed compliance of the same. A declaration signed by the Managing Director & CEO in this regard is given below :

"I hereby confirm that :

The Company has obtained from all the members of the Board and Senior Personnel of the Company, affirmation that have complied with the code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2006-2007. The Company has displayed the code of conduct on their website.

Sd/-

**V.K. Agrawal**  
(Managing Director)