

22nd
ANNUAL REPORT
2007 - 2008



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, Kota, Bhilwara & Chennai.

SHARE TRANSFER AGENT

(For Physical & Electronic Mode)

M/s Ankit Consultancy Pvt. Ltd. IInd 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 22nd Annual General Meeting of the members of M/s Ad-Manum Finance Limited will be held on Friday the 26th day of September, 2008 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 31.03.2008 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 dividend on Equity Shares for the year ended 31st March, 2008.
3. To appoint a Director in Place of Mr. Vishnu Prasad Gupta, 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
Date : 19/08/2008

VINOD 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 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 24th day of September 2008 to Friday the 26th day of September 2008 (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 26th September 2008.
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.
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 Vishnu Prasad Gupta, retire by rotation and being eligible offer himself for reappointment. The information relating to the above director to be provided in terms of Clause 49 of the Listing Agreement is 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.

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By Order of the Board

sd/-

Place : INDORE
Date : 19/08/2008

VINOD K. AGARWAL
MANAGING DIRECTOR



AD-MANUM FINANCE LIMITED

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 22nd Annual Report and Audited Accounts for the year ended on 31st March 2008.

1. FINANCIAL RESULTS

(Amount in Rs.)

Current Yr. Previous Yr.

Profit before Depreciation,		
Interest & other adjustments	59205633	47335241
Less : Interest	34939521	20072669
: Depreciation	7636094	7038659
Profit before Tax	16630018	20223913
Less : Provision for current		
Income Tax	2681000	2270000
: Provision for		
deferred Income Tax	(176872)	7637417
: Provisions for		
Fringe Benefit Tax	230000	192725
: Income Tax for		
earlier year paid	375115	(36304)
: Provision for NPA	717112	927520
: FBT for Earlier year paid	38677	--
Profit for the year	12764986	9232555
Add : Balance of Profit		
B/F From Prev. Year	8927927	5050222
Amount available for		
appropriation	21692913	14282777
APPROPRIATIONS :		
Proposed dividend @10%	3000000	3000000
Corporate Tax on proposed		
dividend	509850	509850
Transfer to NBFC Reserve	2555000	1845000
Transfer to General Reserve	5631500	--
Balance carried to Balance Sheet	9996563	8927927
TOTAL RS.	21692913	14282777

2. DIVIDEND

The Board of Directors recommends payment of dividend @ 10% for the year ended on 31st March, 2008.

3. DIRECTORS

During the year Shri Vishnu Gupta, 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:

- In the preparation of the annual accounts the applicable accounting standards have been followed;
- 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 2008 and of the profit of the Company for the year ended on that date;
- 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
- The Directors have prepared the annual accounts of the Company on a 'going concern' basis.

9. 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.

10. 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.

11. 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 : 19/08/2008

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.

Good Corporate Governance act as a catalyst for consistent growth of an organization. It is the adoption of best business practices which ensure that the Company operates not only within regulatory framework, but is also guided by ethics.

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

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

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. Vishnu Prasad Gupta is a Director of the Company. He is Chartered Accountant and having wide experience in the field of Accounts, Taxation etc.

b. Attendance Record of Directors

Name of Directors	No. of Board Meeting Attended	Last AGM whether attended	Other Directorships	Committee Membership/ Chairman
Mr. Vinod Kumar Agarwal	8	Yes	6	-
Mr. J.N. Choudhury	8	Yes	-	-
Mr. Aseem Trivedi	3	No	-	2
Mr. Vishnu Gupta	2	Yes	-	2
Mr. Devi Prasad Kori	5	No	1	2

During the financial year 2007-2008 the Board of Directors met 8 times on 30-04-2007, 22.06.2007, 31-07-2007, 27-08-2007, 30-10-2007, 03-12-2007, 31-01-2008 and 15-03-2008.

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:
 - i. Oversight of the Company's financial reporting process and the disclosure of its financial information.

AD-MANUM FINANCE LIMITED

- ii. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- iii. 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.
- 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 (30.04.2007, 31.07.2007, 27.08.2007, 30.10.2007, 31.01.2008). 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	5
Mr. Vishnu Gupta	Member	5	3
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 4 and replied to the satisfaction of shareholders. Outstanding complaints as on 31st March, 2008 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:

Name of Directors	Amount	Period of appointment
Mr. Vinod Kumar Agarwal (M.D.)		Appointed for 5-years
1. Salary	690000	w.e.f. 01.10.2007
2. House Rent	300000	
Mr. J.N. Choudhury (Director-in-Charge)		Appointed for 2-years
3. Salary	262500	w.e.f. 01.07.2007
4. Performance Incentive	342966	
5. Bonus	8400	
6. P.F.	9360	
7. Transport Allowance	24000	

AD-MANUM FINANCE LIMITED**5. ANNUAL GENERAL MEETINGS**

Year	Location	Date	Time	No. of Special Resolution passed
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
2006-07	Hotel Surya, 5/5, Nath Mandir Road, Indore (M.P.)	28.09.07	11.00 AM	Nil

During the year ended on 31st March 2008, there have been no resolutions passed by the Company's 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 day's 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 their need.

AD-MANUM FINANCE LIMITED

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 Old & New 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 has 24 marketing offices at Maharashtra, Gujarat, M.P., Rajasthan 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 2 new branches and response from this branch are 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 of 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 NPA recognized by the Company, is only to the tune of Rs. 2640764/-.

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 transaction 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.



AD-MANUM FINANCE LIMITED

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 2007-2008. The Company has displayed the code of conduct in their website.

sd/-

(V.K. Agarwal)

Managing Director

9. MEANS OF COMMUNICATION

The quarterly and half yearly financial results of the Company are, in compliance of Clause 41 of the Listing Agreement, published in the Free Press (English edition) and Choutha Sansar (Hindi edition), a local vernacular news edition at the place where the registered office of the Company is situated.

The Company's half-yearly results in addition to being published in newspapers are also provided on receipt of an individual request from the shareholders.

The Annual Report is posted individually to all the members entitled to receive a copy of the same.

10. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting Day, date, time & venue	Friday, the 26 th day of September 2008 at 11.00 A.M. Hotel Surya, 5/5, Nath Mandir Road, Indore (M.P.) - 452 001
Financial Calendar (tentative) Results for the 1 st Quarter Results for the 2 nd Quarter Results for the 3 rd Quarter Results for the 4 th Quarter	Last week July 2008 Last week of October 2008 Last week of January 2009 Last week of April 2009
Date of Book closure	24/09/2008 to 26/09/2008 (both days inclusive).
Listing on Stock Exchanges	The Bombay Stock Exchange Ltd., Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
Stock Code For BSE Demat ISIN Number	S11359 INE 556 D 01017

Market Price Data

Month	The Stock Exchange, Mumbai (BSE) (Rs. Per share)	
	Month's High Price	Month's Low Price
April, 2007	15.95	12.10
May, 2007	15.36	12.70
June, 2007	15.95	12.64
July, 2007	15.00	13.00
August, 2007	15.89	13.00
September, 2007	18.40	15.05
October, 2007	18.25	13.10
November, 2007	20.70	16.45
December, 2007	22.70	16.70
January, 2008	26.90	17.00
February, 2008	18.75	14.95
March, 2008	17.00	12.10

(Data Source from the website of the Stock Exchange, Mumbai)

Registrar and Transfer Agents

For Physical & D-mat Shares :

M/s Ankit Consultancy Pvt. Ltd.
2nd Floor, Alankar Point,
Geeta Bhavan Chouraha,
A.B. Road, Indore - 452 001 (M.P.)
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