

ANNUAL REPORT 2011-12

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

COMPANY SECRETARY & COMPLIANCE OFFICER

+	CS. MOHD. RAEES SHEIKH
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AUDITORS

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

+	UCO Bank
+	Bank of India
+	Indian Overseas

REGISTERED OFFICE

+	'Agarwal House', Ground Floor, 5, Yeshwant Colony, Indore (M.P.) – 452 003 Ph.: 91-731-2538874, 2431709 and 2539575; Fax: 91-731-4030009 E-mail: ho@admanumfinance.com, admanum_ho@rediffmail.com Web-site: www.admanumfinance.com
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MARKETING OFFICES

+	Indore, Sendhwa, Neemuch, Dhulia, Jalgaon, Nandurbar, Chalishgaon, Nasik, Akola, Aurangabad, Khamgaon, Bhavnagar Jamnagar, Malegaon, Bhuj, Rajkot, Mehsana, Veraval, Himmatnagar, Ahmedabad, Anand, Palanpur, Udaipur, & Bhilwara
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SHARE TRANSFER AGENT

+	(For Physical & Electronic mode) M/s Ankit Consultancy Pvt. Ltd. Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) – 010 Ph.: 91-731-3198601/602, 2551745 Fax: 91-731-4065798 E-mail: ankitind@sancharnet.in, ankit_4321@yahoo.com
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**NOTICE**

NOTICE IS HEREBY given that the 26th Annual General Meeting of the members of M/s Ad-Manum Finance Limited will be held on Saturday the 29th day of September, 2012 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 31.03.2012 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, 2012.
3. To appoint a Director in Place of Mr. Vishnu Gupta, who retires by rotation and being eligible, offer himself for re appointment.
4. To Appoint Auditors and to fix their remuneration.

Registered Office:

"Agarwal House", Ground Floor,
5, Yeshwant Colony,
INDORE - 452 003 (M.P.)
Place: Indore
Date: 27.08.2012

By Order of the Board

Sd/-

VINOD K. AGARWAL
MANAGING DIRECTOR

SPECIAL BUSINESS

5. To re- appoint the Managing Director of the Company Mr. Vinod Kumar Agarwal.

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, 349, 350, 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 terms of reappointment of Mr. Vinod Kumar Agarwal, Managing Director of the Company to hold office for a period of Five years from 1st Day of October 2012 to 30th Day of September 2017 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 Section 198, 309 & Schedule XIII of the Companies Act, 1956 or any statutory modifications or reenactment thereof as may be agreed to by Board of Directors or any committee thereof."

6. To modify the terms of appointment of the Whole Time Director.

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, 349, 350, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including any statutory modification(s) 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 terms of appointment of Mr. Jayanta Nath Choudhury, Whole Time Director of the Company designated as Director-In-Charge to hold office for a period of two years from 1st Day of October 2012 to 30th Day of September 2014 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 Section 198, 309 & Schedule XIII of the Companies Act, 1956 or any statutory modification(s) or reenactment thereof as may be agreed to by the Board of Directors or any committee thereof."

7. To appoint the Relative of the Whole-Time-Director.

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

"RESOLVED THAT as a Special Resolution pursuant to Section 314 (IB) read with Director's Relatives (Office or place of Profit) Rules 2003 and other applicable provisions of the Companies Act, 1956, the consent of the Board of Directors be and is hereby accorded to appoint Mrs. Dolly Choudhury, wife of Mr. Jayanta Nath Choudhury, Director-In-Charge of the Company, as a Finance Executive on a

gross monthly consolidated remuneration of ₹ 45000/- per month (₹ Forty Five Thousand only) w.e.f. 01/10/2012, subject to the consent of the Shareholders in the this Annual General meeting of the Company.

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself 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 the meeting.
2. An Explanatory Statement pursuant to Section 173 of Companies Act, 1956, relating to the reappointment of Managing Director, Whole Time Director and Appointment of Relative of Whole-Time-Director to be transacted at the meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday the 27th day of September 2012 to Saturday the 29th day of September 2012 (Both days inclusive).
4. 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 29th September 2012.
5. 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.
6. 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.
7. Shareholders are requested to bring their copy of the Annual Report to the Meeting.
8. Members/Proxies should fill the Attendance Slip for attending the meeting.
9. Shareholders are requested to address their

correspondence, including a change in their address, if any, to the R&T Agents of the Company.

10. 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.

11. 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.

12. At the ensuing Annual General Meeting, Mr. Vishnu Gupta, retires by rotation and being eligible offers himself for the 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.

13. Shareholders who have not yet claimed/encashed their Dividend warrant are advised to take steps to realize the same.

14. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" recently, allowing paperless compliances by companies and has issued a circular to this effect stating that the service of documents/Notices of the Company can be made through electronic mode.

With a view to participate in the initiative, we request that you provide your e-mail address, if you wish to receive the documents/notices etc. through electronic mode. You may please send us your e-mail address stating clearly your name, Folio No. etc.

Registered Office:

"Agarwal House", Ground Floor,
5, Yeshwant Colony,
INDORE - 452 003 (M.P.)
Place: Indore
Date: 27.08.2012

By Order of the Board

Sd/-

VINOD K. AGARWAL
MANAGING DIRECTOR

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

ITEM NO. 5

The terms of appointment of Mr. Vinod Kumar Agarwal, Managing Director of the Company is going to be expired on 30th Day of September 2012 and he is reappointed for five years from 1st Day of October 2012, The Board of Directors and Committees of the Company at their meetings held on 27th Day of August 2012 approved the terms of reappointment and remuneration of Mr. Vinod Kumar Agarwal, as Managing Director for a further period of 5 (Five) years effective from 1st Day of October 2012 subject to the approval of the members in the Annual General Meeting on such Remuneration as per details furnished below:

I. SALARY

In the scale of ₹ 300000-500000-500000 per month with authority to the Board to fix his salary within the above scale from time to time.

II. PERFORMANCE BONUS ON NET PROFIT

The Managing Director of the Company shall be entitled to receive Performance Bonus of 5% on Net profit as calculated under section 349 and 350 of the Companies Act 1956 in addition to the monthly salary.

III. PERQUISITES

In addition to above 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 the Income Tax Rules, 1962, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

The Overall maximum managerial remuneration shall not exceed the prescribed limit in the section 198, 309 and 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

Notwithstanding anytime specified herein above where in any financial year during the tenure of 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 given in terms of this Resolution to 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 is concerned or interested in this resolution.

You are requested to consider and pass with or without modification the resolution as an "ordinary resolution".

ITEM NO. 6

The terms of appointment of Mr. Jayanta Nath Choudhury, Whole Time Director of the Company designated as Director-In-Charge is to be changed from 1st October 2012. The Board of Directors and Committees of the Company at their meetings held on 27th Day of August 2012 approved the terms of appointment and remuneration of Mr. Jayanta Nath Choudhury, Whole Time Director of the Company designated as Director-In-Charge for a further period of 2(Two) years effective from 1st Day of October 2012 subject to the approval of the members in this Annual General Meeting on such Remuneration as per details furnished below:

I. SALARY

In the scale of ₹ 100000-25000-125000 per month with authority to the Board to fix his salary within the above scale from time to time.

II. PERFORMANCE BONUS ON NET PROFIT

The Whole-Time-Director of the Company shall be entitled to receive Performance Bonus of 1% on Net profit as calculated under section 349 and 350 of the Companies Act 1956 as part of Remuneration in addition to his monthly salary.

III. PERQUISITES

In addition to the above the perquisites shall be given as per the rules of Company.

EXPLANATION

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

The Overall maximum managerial remuneration shall not exceed the prescribed limit in the section 198, 309 and 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

Notwithstanding anytime specified herein above, where in any financial year during the tenure of Mr. Jayanta Nath Choudhury, Director-In-Charge 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 given in terms of this Resolution to the Board to effect any variations, alterations or modifications in future in respect of the renewal of appointment of Mr. Jayanta Nath Choudhury.

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. Jayanta Nath Choudhury is concerned or interested in this resolution.

You are requested to consider and pass with or without modification the resolution as an "ordinary resolution".

ITEM NO. 7

The appointment and remuneration of Mrs. Dolly Choudhury as Finance Executive was considered and approved by the Board of Directors in their meeting held on 27th Day of August, 2012 subject to the approval of the shareholders in this Annual General Meeting.

As per the provision of section 314 of the Companies Act, 1956 the appointment and payment of remuneration of Mrs. Dolly Choudhury require the consent of the members of the Company by way of special resolution.

Mr. Jayanta Nath Choudhury, Director-In-Charge of the Company, being relative of Mrs. Dolly Choudhury, is deemed to be considered or interested in the said resolution.

Power is also being given in terms of this Resolution to the Board to effect any variations, alterations or modifications in future in respect of the renewal of appointment of Mrs. Dolly Choudhury.

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

You are requested to consider and pass with or without modification the resolution as a "Special resolution".

Registered Office:
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5, Yeshwant Colony,
INDORE - 452 003 (M.P.)
Place: Indore
Date: 27.08.2012

By Order of the Board

Sd/-
VINOD K. AGARWAL
MANAGING DIRECTOR

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 26th Annual Report and Audited Accounts for the year ended on 31st March 2012.

1. FINANCIAL RESULTS

(Amount in ₹)

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Profit before		
Depreciation, Interest & other adjustments	191844727	116168642
Less : Interest	99164280	61515781
: Depreciation	12083366	10177606
Profit before Tax	80597081	44475255
Adjustment related to previous year	-----	8673673
Less : Provision for		
current Income Tax	25000000	19100000
: Provision for deferred Income Tax	2219452	1176835
: Income Tax for earlier year	(2365811)	424580
: Provision for NPA	4265080	996894
: Provision for Diminution in Securities	7298	21574
Profit for the year	51471062	31429045
Add : Balance of Profit B/F From Previous Year	29536737	13955812
Amount available for appropriation	81007799	45384857
APPROPRIATIONS :		
Proposed dividend @10%	7500000	3912330
Corporate Tax on proposed dividend	1216688	649790
Transfer to NBFC Reserve	10294213	6286000
Transfer to General Reserve	20000000	5000000
Balance carried to Balance Sheet	41996898	29536737
TOTAL ₹	81007799	45384857

2. DIVIDEND

The Board of Directors recommends payment of dividend @ 10 % (previous year @10%) for the year ended on 31st March, 2012.

3. DIRECTORS

During the year Mr. Vishnu Gupta, retires by Rotation and being eligible offer himself for reappointment.

4. COMPLIANCE OF RESERVE BANK OF INDIA GUIDELINES

The company is complying circulars and directions issued by the Reserve Bank of India from time to time.

5. 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.

6. 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.

7. PARTICULARS OF EMPLOYEES

There was no employee drawing salary of ₹ 5,00,000/- per month or ₹ 60,00,000/- per annum.

8. 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.

9. 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 2012 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.

10. 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.

11. 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.

12. 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

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By Order of the Board

Sd/-
VINOD K. AGARWAL
MANAGING DIRECTOR

CORPORATE GOVERNANCE REPORT

Company's philosophy on Corporate Governance:

The Company 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

None of the above Directors is related inter-se.

None of the Directors holds the office in more than the permissible number of companies under the Companies Act, 1956.

Brief Resume of Director being re-appointed, 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 Gupta is a Chartered Accountant and Independent and non Executive Director of the Company. He has wide experience in the field of Accounts & Finance.

b. Attendance Record of Directors

Name of Directors	No. of Board Meetings held	No. of Board Meetings Attended	Last AGM whether attended	Other Directorships	Committee Membership/ Chairman
Mr. Vinod Kumar Agarwal	11	11	Yes	6	-
Mr. J.N. Choudhury	11	11	Yes	-	-
Mr. Aseem Trivedi	11	4	No	-	2
Mr. Vishnu Gupta	11	4	Yes	-	2
Mr. Devi Prasad Kori	11	6	Yes	1	2

The Meetings of the board are generally held at its Corporate office at the "Agarwal House", Ground Floor, 5, Yeshwant Colony, Indore (M.P.) During the financial year 2011-2012 the Board of Directors met 11 times on 01-04-2011, 09.04.2011, 10-05-2011, 07-06-2011, 12-07-2011, 29-07-2011, 22-08-2011, 14-09-2011, 31-10-2011, 31-01-2012 and 09-02-2012.

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.
 - 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.
 - vii. Review of information as prescribed under clause 49 of listing the agreement.

During the year, the Committee has met 5 times (10.05.2011, 29.07.2011, 22.08.2011, 31.10.2011, 31.01.2012). The details composition and attendance of the members of the Audit Committee in the meetings are as follows:

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

All the members of Audit Committee are financially literate and have accounting or related financial management expertise. The Company Secretary is the secretary to the Committee.

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.

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

During the year total numbers of complaints received were 2 and replied to the satisfaction of shareholders. Outstanding complaints as on 31st March, 2012 were NIL

4. REMUNERATION COMMITTEE

The Board of Directors has constituted a Remuneration Committee, which comprises wholly of Independent Directors:

1. Mr. Aseem Trivedi Chairman
2. Mr. Vishnu Gupta Member
3. Mr. D. P. Kori Member