

ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED



EIGHTH ANNUAL REPORT 2000 - 2001

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REGISTERED OFFICE

**“CAPITAL PLACE”,
50, SOUTH BOAG ROAD, T NAGAR, CHENNAI - 600 017.**



ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED

BOARD OF DIRECTORS:

Mr K V Aiyappan	- Chairman
Mrs Abiraami Arunachalam	- Director
Mr Teckchand Vaswani	- Director
Mr AR Annamalai	- Director
Mr Arogiaswamy Dominic	- Director
Mr L V Anantram	- Director
Mr S Jayaraman	- Executive Director

COMPANY SECRETARY

:

Mr D Srinivasalu

VICE PRESIDENT

:

Mr S Madhava Rao

AUDITOR

:

Mr K C Sthalasayanam
Chartered Accountant
87, Kutchery Road
Mylapore, Chennai 600 004

BANKERS

:

M/s Lakshmi Vilas Bank Ltd.,
Cathedral Branch, Chennai.

M/s Bharat Overseas Bank Ltd.,
Cathedral Branch, Chennai.

REGISTERED OFFICE

:

"CAPITAL PLACE"
50, South Boag Road
T Nagar, Chennai 600 017.

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NOTICE TO SHARE HOLDERS:

NOTICE is hereby given that the Eighth Annual General Meeting of the Share holders of ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED will be held at 11.00 A.M. on Saturday, the 23 day of June, 2001 at the Registered Office of the Company at "Capital Place", 50, South Boag Road, T Nagar, Chennai 600 017 to transact the following Business:

ORDINARY BUSINESS:

- 1 To receive, consider and adopt the Audited Balance Sheet of the Company as at 31 March 2001 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditor thereon.
- 2 To declare a dividend.
- 3 To elect directors:
 - (a) To appoint a Director in the place of Mr Teckchand Vaswani, who retires by rotation and being eligible, offers himself for re-appointment.
 - (b) To appoint a Director in the place of Mr AR Annamalai, who retires by rotation and being eligible, offers himself for re-appointment.
- 4 To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr K C Sthalasayanam, Chartered Accountant 87, Kutcheri Road, Mylapore, Chennai - 600 004 be and is hereby appointed as Auditor of the Company to hold office until the conclusion of the next Annual General Meeting of the Company on a remuneration as may be determined by the Board of Directors."

SPECIAL BUSINESS:

5. REAPPOINTMENT OF EXECUTIVE DIRECTOR:

To consider and, if thought fit, to pass with or without modification, the following Resolution as **Special 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 company hereby accords its approval and consent to the reappointment of Mr.S.Jayaraman as Executive Director of the Company, for a period of Two years with effect from 14.05.2001 on the following terms and conditions:

Salary : Rs.26,000 P.M.

Perquisites: He shall be entitled to perquisites like use of Car for official purpose. Other Perquisites, benefits and amenities shall be as per the Company's Rules applicable to Senior Executives."

6. AMENDMENT OF OBJECT CLAUSE:

To consider and, if thought fit, to pass with or without modification, the following Resolution as **Special Resolution**:

"RESOLVED THAT pursuant to Section 17 and other applicable provisions, if any, of the Companies Act, 1956, the Memorandum of Association of the Company be and is hereby altered in the manner and to the extent specified below, that is to say in Clause III (A) of the Memorandum of Association of the Company the following sub-clause 8 be inserted under Main Object Clause:

8. To provide Software and Systems consultancy Services to Business Houses in India and Abroad.

"RESOLVED FURTHER THAT appropriate action be taken by the Company Secretary to obtain necessary approval from the Government and other authorities in this regard."

7 DELISTING OF SHARES:

To consider and, if thought fit, to pass with or without modification, the following Resolution as **Special Resolution**:

"RESOLVED THAT subject to the approval of Madras and Mumbai Stock Exchanges, consent of the Company be and is hereby accorded to the Board of Directors of the Company to seek delisting of its shares from the Madras and Mumbai Stock Exchanges."

NOTES :

- 1 A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself / herself and such 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 18 June, 2001 to 23 June, 2001 (Both days inclusive).
- 3 All documents referred to in the above Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours.

By Order of the Board

Place : Chennai **D SRINIVASALU**
Date : 18.05.2001 Company Secretary.

**EXPLANATORY STATEMENT
ANNEXED TO NOTICE PURSUANT
TO SECTION 173 (2) OF THE
COMPANIES ACT, 1956:**

Item No.5:

Mr S Jayaraman was appointed as Executive Director for five years with effect from 14.05.1996 and his term of appointment expired on 13.05.2001. Hence, the Board has recommended his reappointment as Executive Director for a further term of two years with effect from 14.05.2001.

The Special Resolution as set out in the Notice is placed before the shareholders for their approval.

MEMORANDUM OF INTEREST:

Mr S Jayaraman, is interested in this Resolution since it relates to the terms of his appointment.

Item No.6:

To enable the Company to diversify its activities into other areas, it is proposed to amend the Objects Clause of the Memorandum to enter in the Business of Consultancy Services in Software Sector. The approval of the Members of the Company is required for amending the Memorandum of Association of the Company. Accordingly the resolution has been set out in the Notice for the approval of the Members.

None of the Directors of the Company is personally interested in or concerned with this resolution.

Item No.7:

In view of high Promoters' stake and Low Volume of Transactions in the Stock Exchanges, it was proposed to delist the shares of the company from Madras and Mumbai Stock Exchanges.

Since your company is a small company it will benefit the company by way of reduction in costs associated with statutory Compliance.

Therefore considering the fact that the Company has lower percentage of public equity and low volume of trading, the approval of the members is sought to delist the shares of the Company in Madras and Mumbai Stock Exchanges.

None of the Directors of the Company is personally interested in or concerned with this Resolution.

By Order of the Board

Place : Chennai **D SRINIVASALU**
Date : 18.05.2001 Company Secretary

DIRECTORS' REPORT:

Your Directors have pleasure in presenting the Eighth Annual Report of your Company with Audited Accounts for the period ended 31 March, 2001.

PERFORMANCE:

The Performance of the Company for the period ended 31 March, 2001 is summarised as follows:

Rs. in Lakhs

PROFIT BEFORE
DEPRECIATION & TAX 104.21

LESS: DEPRECIATION 57.92
PROVISION FOR TAX 4.50
TRANSFER TO LEASE
EQUALISATION FUND 0.86
PROFIT AFTER
DEPRECIATION & TAX 40.93

ADD:
EXCESS PROVISION
REVERSED FROM NPA 4.10

OPENING BALANCE IN
PROFIT AND LOSS A/C 0.92

PROFIT AVAILABLE FOR
APPROPRIATION 45.95

APPROPRIATIONS

DIVIDEND PROPOSED (5%)	30.00
DIVIDEND DISTRIBUTION	
TAX	3.60
TRANSFER TO STATUTORY	
RESERVE	7.70
TRANSFER TO	
GENERAL RESERVE	1.64
PROVISION FOR DECREASE	
IN VALUE OF INVESTMENTS	3.00
SURPLUS C/F TO BALANCE	
SHEET	0.01

DIVIDEND:

Your Directors are pleased to recommend a dividend of 5%. The proposed dividend absorbs a sum of Rs.33.60 Lakhs inclusive of Dividend Distribution Tax of Rs.3.60 Lakhs.

REVIEW OF OPERATIONS:

During the year satisfactory growth has been registered by your Company. Your Company generated a total income of Rs.145.70 lakhs. Your Company's Stock on Hire as at 31.3.01 under Hire Purchase Finance stood at Rs.109.18 lakhs as against Rs.95.19 lakhs and