

**29th ANNUAL REPORT
2013-2014**



FIRST FINANCIAL SERVICES LTD

BOARD OF DIRECTORS:

Mr. Nirmal Singh Mertia : Whole Time Director
Mr. Vasalakotram Sudhakar : Director
Ms. Ritu Tusham : Director

AUDITORS:

M/s. Dharmaraj & Co.,
Chartered Accountants,
New No. 63, Old No. 31,
Kamaraj Avenue, First Street,
Adyar, Chennai – 600 020.

Registrars and Transfer Agents:

Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri (East),
Mumbai – 400 072.
Phone No. : 022-28470652, Fax No. : 022-28475207
Email id.:info@bigshareonline.com, Website: www.bigshareonline.com

Bankers:

HDFC Bank Ltd, Egmore, Chennai 600 008.
Vijaya Bank, Egmore, Chennai 600 008.
Axis Bank, Malad (W), Mumbai 400 064.

REGISTERED OFFICE:

2nd Floor, Old no.24 new no. 45,
Venkata Maistry Street, Mannady,
Chennai 600 001.
Email: ffsl@in.com
Website: www.ffslonline.com
Contact no. 9176898788
CIN: L74210TN1984PLC011231

CORPORATE OFFICE:

1513 & 1514,
Maker Chambers V,
221 Nariman Point,
Mumbai - 400 021.
Email: ffsl@in.com
Website: www.ffslonline.com
Contact no. 9176898788

Compliance Officer:

Mr. Nirmal Singh Mertia

First Financial Services Ltd.

2nd Floor, Old no.24 new no. 45,
Venkata Maistry Street, Mannady,
Chennai 600 001.
Email: ffsl@in.com
Website: www.ffslonline.com
Contact no. 9176898788

Contents	Page Nos.
Notice	1
Director's Report	7
Management Discussion & Analysis	9
Report on Corporate Governance	10
Independent Auditor's Report	16
Balance Sheet	18
Profit & Loss Account	19
Cash Flow Statement	20
Significant accounting policies	21
Notes to Financial Statements	22

FIRST FINANCIAL SERVICES LIMITED

NOTICE

Notice is hereby given that the 29th Annual General Meeting of **First Financial Services Limited** will be held on Tuesday, 30th September 2014 at 10.00 A.M. at 2nd Floor, Old no.24 new no. 45, Venkata Maistry Street, Mannady, Chennai 600 001 to transact the following business:

ORDINARY BUSINESS:

1. To consider, approve and adopt the Audited Balance Sheet as on 31st March 2014 and the Profit & Loss Account of the Company for the year ended on that date together with the Directors Report and Auditor's Report thereon.
2. To appoint Director in place of Mr. Nirmal Singh Mertia (holding DIN: 03584434) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To Appoint the Auditors and to fix their remuneration and in this regards pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. S A R A & Associates., Chartered Accountants, (Firm Registration no. 120927W) Chartered Accountant, be and is hereby appointed as Statutory Auditors of the Company in place of M/s. Dharmaraj & Co., (Firm Registration No. 013630S) Chartered Accountants, (on receipt of resignation letter from M/s. Dharmaraj & Co.) and to hold office of the auditor till the conclusion of the 4th consecutive Annual General Meeting (after commencement of the Companies Act 2013), subject to ratification by the shareholders at every Annual General meeting at a remuneration to be decided by the Board of Directors in consultation with the Auditors."

SPECIAL BUSINESS:

4. **Appointment of Mr. Vasalakotram Sudhakar (holding DIN : 05139324) as an Independent Director**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 149, 150,152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Vasalakotram Sudhakar, (holding DIN : 05139324) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 10th August, 2013 and who holds office until the date of the Annual General Meeting, in terms of Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Vasalakotram Sudhakar as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company up to 31st March 2019, not liable to retire by rotation."

5. **Appointment of Ms. Ritu Tusham (holding DIN : 06896437) as an Independent Director**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 149, 150,152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Ritu Tusham, (holding DIN : 06896437) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 7th July, 2014 and who holds office until the date of the Annual General Meeting, in terms of Section 160 of the Companies Act, 2013 signifying her intention to propose Ms. Ritu Tusham as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company up to 31st March 2019, not liable to retire by rotation."

6. **Re-appointment of Mr. Nirmal Singh Mertia (holding DIN : 03584434) as a whole Time Director**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 196, 197 and 203 read with schedule V of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) thereto or re-enactment thereof, for the time being in force), and under any other provisions of law for the time being in force, approval of the Company be and is hereby accorded to re-appoint Mr. Nirmal Singh Mertia (holding DIN : 03584434) as a Whole Time Director of the Company for the period of five years with effect from 27th July, 2014, liable to retire by rotation on such salary payable as decided by Board of Directors of the Company from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors, or Executive Director or any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution."

**By Order of the Board
For First Financial Services Limited**

Sd/-

**Nirmalsingh Mertia
Whole Time Director**

Place: Chennai

Date: 05.08.2014

29th Annual Report 2013-2014

Important Communiqué to Members-Green Initiative in Corporate Governance :

The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by the companies and has issued a Circular stating that service of all documents including Annual Reports can be sent by e-mail to its Members. Your Company believes that this is a remarkable and environment friendly initiative by MCA and requests all members to support in this noble cause.

The Company has already embarked on this initiative and proposes to send documents including Annual Reports in electronic form to the Members on the email address provided by them to the RTA/Depositories.

The Members who hold shares in physical form are requested to intimate/update their email address to the Company / RTA while Members holding shares in demat form can intimate / update their email address to their respective Depository Participants.

Members are requested to further note that they will be entitled to be furnished, free of cost, the physical copy of the documents sent by e-mail, upon receipt of a requisition from them, any time, as a Member of the Company.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company.
2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
3. PROXY FORM AND ATTENDANCE SLIP ARE ENCLOSED, PROXIES IN ORDER TO BE VALID MUST REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
4. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special business set out in the Notice is annexed.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 25.09.2014 to 30.09.2014 (both the days inclusive.) for the purpose of AGM.
6. Members are requested to notify immediately changes in their respective address, if any, to the Company's Registered Office quoting their Folio No.
7. Members who hold shares in the Dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Annual General Meeting.
8. Additional information pursuant to Clause 49 of the Listing Agreement with stock exchanges in respect of the directors seeking appointment / re-appointment at the AGM are furnished and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
9. Members / Proxies should bring their copy of the Annual Report and also the attendance slip duly filled in for attending the meeting.
10. The Company has made necessary arrangements for the Members to hold their shares in dematerialized form. Those members who are holding shares in physical form are requested to dematerialize the same by approaching any of the Depository Participants (DPs). In case any member wishes to dematerialize his/her shares and needs any assistance, he/she may write to the Company at the Corporate office of the company.
11. Copies of Annual Report 2014 are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014 are being sent by the permitted mode.
12. The notice of the 29th AGM and instructions for e-Voting, along with the Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants(s). Members holding shares in physical form shall submit their PAN details to the Company / RTA.

14. Voting through electronic means :

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) limited (CDSL). The Company has signed an agreement with CDSL for facilitating such e-Voting by the Members. Kindly note that each Member can opt for only one mode for voting i.e. either by Physical Ballot or by E-voting. However, in case members cast their vote both via physical ballot and e-voting, then voting through postal ballot shall prevail and voting done by e-voting shall be treated as invalid.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant First Financial Services Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (ixv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Tuesday, 23rd September, 2014 from 9.00 A.M. and ends on Wednesday, 24th September, 2014 at 4.00 P.M. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

ANNEXURE TO THE NOTICE: STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACTS, 2013

The following Statement sets out the material facts relating to the Special business mentioned in the accompanying Notice:

Item no. 4

The Board, at its meeting held on 10th August, 2013 appointed Mr. Vasalakotram Sampath Sudhakar as an Additional Director of the Company with effect from 10th August, 2013, pursuant to Section 161 of the Companies Act, 2013.

Pursuant to Section 161 of the Companies Act, 2013, Mr. Vasalakotram Sampath Sudhakar will be hold office up to the date of ensuing Annual General Meeting of the Company. The Company has received valid Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with requisite deposit proposing the candidature of Mr. Vasalakotram Sampath Sudhakar for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Vasalakotram Sampath Sudhakar as an Independent Director of the Company up to 31st March 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made there under. He is not liable to retire by rotation.

Brief resume of Mr. Vasalakotram Sampath Sudhakar nature of his expertise in specific functional areas, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange is provided elsewhere in this notice of the ensuing Annual General meeting. In the opinion of the Board of Directors Mr. Vasalakotram Sampath Sudhakar, the independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and he is independent of the management.

Copy of the draft letter for appointment of Mr. Vasalakotram Sampath Sudhakar as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company during normal business hours on working days upto the date of AGM. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

No director, key managerial personnel or their relatives, except Mr. Vasalakotram Sampath Sudhakar, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

Item no. 5

The Board, at its meeting held on 7th July, 2014 appointed Ms. Ritu Tusham as an Additional Director of the Company with effect from 7th July, 2014, pursuant to Section 161 of the Companies Act, 2013.

Pursuant to Section 161 of the Companies Act, 2013, Ms. Ritu Tusham will be hold office up to the date of ensuing Annual General Meeting of the Company. The Company has received valid Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with requisite deposit proposing the candidature of Ms. Ritu Tusham for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Ms. Ritu Tusham as an Independent Director of the Company up to 31st March 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made there under. She is not liable to retire by rotation.

Brief resume of Ms. Ritu Tusham nature of her expertise in specific functional areas, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange is provided elsewhere in this notice of the ensuing Annual General meeting. In the opinion of the Board of Directors, Ms. Ritu Tusham, the independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder and she is independent of the management.

Copy of the draft letter for appointment of Ms. Ritu Tusham as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company during normal business hours on working days upto the date of AGM. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

No director, key managerial personnel or their relatives, except Ms. Ritu Tusham, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 5 for the approval of the members.

29th Annual Report 2013-2014

Item no. 6

Mr. Nirmal Singh Mertia was re-appointed as Whole Time Director of the Company for the next 5 years in the meeting of the Board of Directors held on 5th August 2014. He is liable to retire by rotation.

Mr. Nirmal Singh Mertia is a Post graduate by qualification. He is holding the office of Executive Director of our Company for three years. He has experience in financial services and responsible for our Company's financial activities.

Mr. Nirmal Singh Mertia shall be liable to retire by rotation on such salary payable as decided by Board of Directors of the Company from time to time.

The Board recommends the Ordinary Resolution set out at item no. 6 of the accompanying Notice for the approval of the Members.

Mr. Nirmal Singh Mertia is interested in the resolution as it relates to his appointment.

None of the other Directors of the Company are, in any way, concerned or interested in the resolution.

Details of Directors seeking appointment / re-appointment by the shareholders of the Company at the ensuing Annual General Meeting (In pursuance of clause 49 of the listing agreement)

Name of Director	Mr. Nirmal Singh Mertia	Mr. Vasalakotram Sudhakar	Ms. Ritu Tusham
DIN	03584434	05139324	06896437
Date of Appointment	26/07/2011	10/08/2013	07/07/2014
Nature of experience / Expertise	He has done Masters in Commerce and he is having more than 10 years of experience in the field of finance.	He has done B.C.A. He is having more than 10 years of experience in different fields.	She has completed S.S.C. She is working as H.R. Consultant.
Shareholding in the Company	Nil	Nil	Nil

None of the above Directors are related to each other.

FIRST FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT

To,
The Members,
FIRST FINANCIAL SERVICES LTD,
Chennai.

Your Directors have great pleasure in presenting **29TH ANNUAL REPORT on the business and operations of your Company** with the Audited Accounts for the year ended 31st March, 2014. The financial results of the Company are summarized below:

FINANCIAL RESULTS:

PARTICULARS	YEAR ENDED 31ST MARCH 2014	YEAR ENDED 31ST MARCH 2013
Income from Operations	59,34,671	3,61,84,296
Profit before Taxation	911936	6905255
Provision for Taxation		
Current Tax	267914	2111633
Deferred Tax	--	--
Tax of earlier year	(52,441)	---
Profit After Tax	696463	4793621

FINANCIAL HIGHLIGHTS:

- Income from operations stood at Rs. 59.35 Lacs for fiscal 2014.
- Profit before taxes for fiscal 2014 was 9.12 Lacs.
- Profit after taxes for fiscal 2014 was Rs. 6.96 Lacs.
- Basic Earning Per Share for fiscal 2014 was Rs. 0.01 per share.
- Net Worth of Company stood at Rs. 1715.76 Lacs.

DIVIDEND:

Your Directors do not propose any dividend for the year ended 31.03.2014.

DIRECTORS:

During the year Mr. S Krishna Rao and Mr. Sambasivaier Swaminathan has been resigned as the directors of the company with effect from 10th August, 2013 and 7th July, 2014.

Mr. Nirmalsingh Mertia is re-appointed as Whole Time Director of the Company for five years with effect from 27th July, 2014.

Mr. Vasalakotram Sudhakar and Ms. Ritu Tusham have been appointed as additional directors of the company with effect from 10th August, 2013 and 7th July, 2014.

Mr. Vasalakotram Sudhakar and Ms. Ritu Tusham, directors of the Company, are being appointed as independent directors for five consecutive years for a term upto the conclusion of the Annual General Meeting of Company in the 2019, as per provisions of Section 149 and other applicable provisions of the Companies Act 2013.

Necessary resolutions for the appointment /re-appointment of the aforesaid directors have been included in the notice convening the ensuing AGM and details of the proposal for appointment / re-appointment are mentioned in the explanatory statement of the notice. Your directors commend their appointment / re-appointment.

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 274(1)(g) of the Companies Act, 1956.

A brief resume and other details, as stipulated under the Listing Agreement for the above director seeking re-appointment is given as Additional Information on Directors which forms part of the Notice.

REGISTERED OFFICE:

During the year registered office of the company shifted from No. 2C, Ram Mansion, 2nd Floor, 367 Pantheon Road, Egmore, Chennai, Tamilnadu - 600008 to 2nd Floor, O.No. 24, N.No. 45, Venkata Maistry Street, Mannady, Chennai - 600 001.

29th Annual Report 2013-2014

CORPORATE OFFICE:

Your Company has opened corporate office at 1513 & 1514, Maker Chambers V, 221 Nariman Point, Mumbai - 400 021.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to provisions of Section 271 (2AA) of the Companies Act, 1956 the Directors confirm that:

- (i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) Appropriate accounting policies have been selected and the directors have 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 2013-2014 and of the Profit or Loss of the Company for the period.
- (iii) Proper and sufficient care has been taken for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Annual accounts have been prepared on a going concern basis.

STATUTORY AUDITOR:

M/s. S A R A & Associates., Chartered Accountant is appointed as Statutory Auditor of the Company in place of M/s. Dharmaraj & Co., Chartered Accountants (on receipt of resignation letter from M/s. Dharmaraj & Co.) Pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013

CORPORATE GOVERNANCE REPORT:

The Board had implemented Corporate Governance Code in pursuance of clause 49 of Listing Agreement during the year. The report on Corporate Governance is annexed hereto forming part of this report. The requisite certificate from Statutory Auditors of the Company on implementation of requirements of the Corporate Governance is also annexed herewith forming part of this report.

FIXED DEPOSITS:

The Company has not accepted any fixed deposits as on 31st March, 2014 so as to attract the provisions of Section 58A and 58AA of the Companies Act, 1956 read with Companies (Acceptance of the Deposits) Rules, 1975 as amended from time to time.

PARTICULARS OF EMPLOYEES:

The provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1988 as amended, are not applicable to the Company, as there are no employees whose remuneration is in excess of the limits prescribed.

LISTING:

The Equity Shares of the Company are at presently listed with the BSE Limited. The company is regular in payment of listing fee.

CASH FLOW STATEMENT:

In conformity with the provisions of Clause 32 of the Listing agreement and requirements of Companies Act, 1956, the Cash flow Statement for the year ended 31.03.2014 is annexed here to.

CONSERVATION OF ENERGY:

Even though, the major activity of your company does not involve high consumption of energy, your company is making all efforts to optimize usage of energy.

TECHNOLOGY ABSORPTION:

Your Company has not imported any technology, hence no details are given.

ACKNOWLEDGEMENT:

Your directors place on record their gratitude for the continued co-operation and guidance extended by the Securities and Exchange Board of India, Reserve bank of India, Stock Exchange and take this opportunity to place on record their warm appreciation of the valuable contribution, unstinted efforts and the spirit of dedication by the employees and officers at all levels in the progress of the Company during the year under review.

Your directors also express their deep gratitude for the assistance, co-operation and support extended to your company by the bankers, customers as well as the investing community and look forward to their continued support.

By Order of the Board
For First Financial Services Limited

Sd/-

Place: Chennai
Date: 05.08.2014

Nirmalsingh Mertia
Whole Time Director