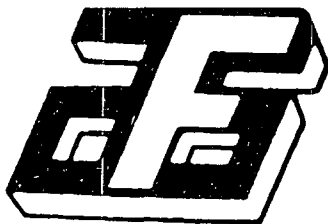


ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED



FIFTEENTH ANNUAL REPORT 2007 - 2008

REGISTERED OFFICE

“CAPITAL PLACE”

**NEW No. 16 (OLD No. 50), SOUTH BOAG ROAD, T. NAGAR,
CHENNAI - 600 017.**

corporate website : www.afslindia.com

E-MAIL ID : abi@afslindia.com abicompliance@afslindia.com



ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED

BOARD OF DIRECTORS :

- Mr K V Aiyappan*** - ***Chairman***
Mr Teckchand Vaswani - ***Director***
Mr L V Anantram - ***Director***
Mr R Varadarajan - ***Independent Director***
Mr T V Srinivasan - ***Independent Director***
Mr V G Suresh Kumar - ***Independent Director***
Mr P Sankaran - ***Executive Director***

COMPANY SECRETARY : ***Mr. J. Narassimhan***

AUDITOR : ***Mr. K. C. Sthalasayanam***
Chartered Accountant
87, Kutchery Road
Mylapore, Chennai 600 004

BANKERS : ***M/s Lakshmi Vilas Bank Ltd.,***
Cathedral Road Branch, Chennai.
M/s Indian Overseas Bank
(Formerly Bharat Overseas Bank Ltd.)
Cathedral Road Branch, Chennai.
M/s Canara Bank
T. Nagar Branch, Chennai.

REGISTERED OFFICE : ***"CAPITAL PLACE"***
New No. 16 (Old No. 50), South Boag Road
T Nagar, Chennai 600 017.

**CONTENTS****PAGE NO**

Notice to Shareholders	3
Explanatory Statement	6
Directors' Report	11
Auditor's Report	33
Balance Sheet	37
Profit and Loss Account	38
Schedules	39
Notes on Accounts	46
Business Profile	50
Cash Flow Statement	52



NOTICE TO SHARE HOLDERS:

NOTICE is hereby given that the Fifteenth Annual General Meeting of the Members of the company will be held at the registered office of the company at "Capital Place", No.16/50 South Boag Road, T.Nagar, Chennai 600017 on Monday the 23rd June 2008 at 10.15 A.M. to transact the following business:

ORDINARY BUSINESS:

- 1 To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March 2008 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditor thereon.
- 2 To elect directors:
 - (a) To appoint a Director in the place of Mr.K.V.Aiyappan who retires by rotation and being eligible offers himself for re-appointment.
 - (b) To appoint a Director in the place of Mr.L.V.Anantram who retires by rotation and being eligible offers himself for re-appointment.
- 3 To consider and, if thought fit, to pass with or without modifications, the following Resolution as **Ordinary Resolution**:

"RESOLVED THAT Mr.K.C.Sthalasayanam, Chartered Accountant, 87, Kutchery Road, Mylapore, Chennai 600004, be and is hereby re-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:

- 4 To consider and if thought fit, to pass with or without modifications the following Resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions if any, of the Companies Act, 1956, Mr.P.Sankaran be and is hereby re-appointed as Executive Director of the Company for a period of One Year with effect from 19-06-2008 on the following terms and conditions: -



- (a) Salary : Rs.17,500/- per Month.
- (b) Conveyance Allowance : Rs. 3,500/- per Month.
- (c) Perquisites : In addition to salary and conveyance allowance, Mr.P.Sankaran will also be entitled to other benefits and reimbursement of expenses on one residential Telephone as per company's rules".

“RESOLVED FURTHER THAT, the Board of Directors be and are hereby authorized to do and perform all such acts, deeds, matters and things and to take such steps as may be necessary or desirable to give effect to this resolution”.

NOTES:

1. A Member entitled to attend and vote at the meeting 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. Proxies in order to be effective should be lodged with the company not later than 48 hours before the commencement of the Meeting.
2. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of special business set out under item No.4 is annexed hereto.
3. The Register of Members and Share Transfer Books of the company will remain Closed from 18th June 2008 to 23rd June 2008 (Both days inclusive).
4. As per Section 205A of the Companies Act, 1956 the Company is bound to transfer Unpaid/Unclaimed Dividend to Investor education Protection Fund. Members wishing to claim dividends, which remain unclaimed for the financial year 2000-2001, are requested to correspond with the company immediately.
5. Members/proxies are requested to bring the Attendance slip duly filled in for attending the Meeting.



6. All documents referred to in the above notice/explanatory statement are open for inspection by any members at the Registered Office of the Company during business hours of the company on any Working day up to the last date of the Annual General Meeting.

Place: Chennai
Date : 23-04-2008

P. SANKARAN
Executive Director



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

Item No.4:

Your Directors would like to inform you that the term of office of the Executive Director Mr. P.Sankaran is expiring on 18-06-2008. In order to recognize the hard work as well as the diligent performance of Mr.P.Sankaran, the Board of Directors at their meeting held on 23-04-2008 re-appointed him as Executive Director for a further period of one year on the terms and conditions as detailed in the special resolution.

Your approval is required for the appointment of Mr.P.Sankaran as Executive Director as well as for payment of remuneration to him.

Interest of Directors: Mr.P.Sankaran is interested in the resolution since it relates to his re-appointment and payment of remuneration. No other director is interested in the resolution.



INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE-49 OF THE LISTING AGREEMENT:

As required under the Listing Agreement, the particulars of the Directors who are proposed to be appointed/re-appointed are given hereunder :

Item No. 2(a) of the Notice

Name : Mr. K.V. Aiyappan
Age : 58 years
Qualification : Master of Science
Date of appointment : 19th April 1993
Occupation : International Business / Industrialist
No. of Shares held by him : 24,65,000

Expertise :

He is an experienced banker having served more than a decade with Indian Overseas Bank in India & Hongkong. He has got vast experience in the Banking, International Trade, Software development and Software trading. He has been guiding the management of the company since its inception and closely monitoring the crossing of each & every milestone. He has varied business interests in Hongkong, Singapore, UK & USA.

Details of other Directorships / Committee Membership held by him are as follows :

Sl. No.	Company	Position	Committee Membership	
			Chairman	Member
1	Yoha Securities Limited	Chairman	—	—
2.	Sumeru Soft Private Limited	Chairman	—	—
3.	Sumeru Media & Communication Private Limited	Chairman	—	—
4.	Sumeru Logistics Private Limited	Chairman	—	—
5.	Sumeru Holdings Private Limited	Chairman	—	—
6.	Sung Institute and Technologies Private Limited	Chairman	—	—



Sl. No.	Company	Position	Committee Membership	
			Chairman	Member
7.	Uma Apparels Private Limited	Chairman	—	—
8.	Vaakya Technologies Limited	Director	—	—
9.	Sri Ranga Holdings Private Limited	Director	—	—
10.	Sri Narasimha Properties Private Limited	Director	—	—
11.	Waterside Properties Private Limited	Director	—	—
12.	Anvika Properties Private Limited	Director	—	—
13.	Fa Yuen Properties Private Limited	Director	—	—



INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE-49 OF THE LISTING AGREEMENT:

As required under the Listing Agreement, the particulars of the Directors who are proposed to be appointed /re-appointed are given hereunder:

Item no. 2 (b) of the Notice

Name : Mr.L.V.Anantram
Age : 84 Years
Qualification : Bachelor of Science
Date of Appointment : 19th July 1995
Occupation : Retired Senior Official from A.G. Office - Govt. of India.
No.of Shares held by him : 1800

Expertise :

He has got experience of over 35 years in accounts and audit in A.G. Office. His vast experience coupled with reasoned views in every aspect of the company affairs are the best guidance in performance of the company.

Details of other Directorships / Committee Membership held by him are as follows:

Sl. No.	Company	Position	Committee Membership	
			Chairman	Member
1	Yoha Securities Ltd.	Director	-	ShareTransfer Committee
2	Ashwin Commodities Private Ltd.	Director	-	-



INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE-49 OF THE LISTING AGREEMENT:

As required under the Listing Agreement, the particulars of the Directors who are proposed to be appointed /re-appointed are given hereunder:

Item no. 4 of the Notice

Name : P.Sankaran
Age : 62 Years
Qualification : B.Com., CAIIB (PI)
Date of Appointment : 6th March, 2002
Occupation : Retired Senior Manager from Indian Overseas Bank
No.of Shares held by him : Nil.
Expertise : Finance & Administration

He has more than 3 decades of Banking Service with experience in Finance, Inspection, Vigilance & Staff Management Portfolios. He is functioning as Executive Director of the Company w.e.f.19/06/2003.

Details of other Directorships / Committee Membership held by him are as follows :

Sl. No.	Company	Position	Committee Membership	
			Chairman	Member
1	Yoha Securities Limited	Director	—	ShareTransfer Committee



DIRECTORS' REPORT:

Your Directors have pleasure in presenting the Fifteenth Annual Report of your Company along with Audited Accounts for the year ended 31st March, 2008.

PERFORMANCE:

The Performance of the Company for the period ended 31st March, 2008 is briefly set out below:

	Rs. in Lakhs
INCOME FOR THE YEAR	138.45
LESS : EXPENDITURE FOR THE YEAR	37.66
PROFIT BEFORE DEPRECIATION & TAX	100.79
LESS: DEPRECIATION	78.94
PROVISION FOR TAX	5.00
PROFIT AVAILABLE FOR APPROPRIATION	16.85
ADD : OPENING BALANCE IN P&L ACCOUNT	30.27
LESS : TRANSFER TO STATUTORY RESERVES	3.60
BALANCE C/F TO P&L ACCOUNT	43.52

DIVIDEND:

Your Company has not recommended any Dividend due to insufficient profits and incidentally to strengthen its resources.



MANAGEMENT DISCUSSION & ANALYSIS:

REVIEW OF OPERATIONS:

Your Company has maintained the income level (Rs.138.45 Lakhs) at almost same as the previous year (Rs.140.51 Lakhs). The Company has geared up its operations in Leased Assets, Stock on Hire, Loans and Advances & Investments to retain its status as NBFC. Accordingly the Company's Income from the said Operation has gone up substantially.

Surplus Assets were disposed for Rs.14.60 Lakhs during 1st Week of April, 2008. This will improve cash flow.

Consequent on the Provision of Additional facilities provided to our Tenants, the company has revised the rentals / hire charges for amenities resulting in optimum realisation of the rental income.

WEBSITE:

Performance particulars of the Company can be ascertained by the share holders / public from website, www.afslindia.com

DEMATERIALISATION:

Out of 60,00,000 Equity shares, 40,38,713 Equity shares i.e.67.31% of company's paid up capital has been Dematerialized up to 31st March 2008. Balance 19,61,287 shares i.e. 32.69% are in Physical form.

Your Director's would like to inform you that your Company's shares are shifted from 'Z' category and included in 'B' category in B.S.E. during February 2008.

FUTURE PROSPECTS:

The strategy designed few years ago is being continued with caution; the disbursements being restricted to existing as well as well known worthy / good clients.

Your Company is intending to expand its activities under the fast growing commodities trading in future to augment income for the company.

Your company continues in Insurance Sector business without Risk Participation.



ECONOMY MEASURES:

The Company has put into effect economy measures consistent with the need to continue the operations on a moderate scale with efficiency and promptness.

RISKS AND CONCERNS:

Your Company is exposed to normal industry risk factor such as Interest rate volatility, economic cycle and credit risk. Your Company manages these risks by adopting prudent business and risk management policies.

ADEQUACY OF INTERNAL CONTROL:

Your Company has got adequate system of internal controls and the management ensures adherence to all internal control practices and procedures. The Audit Committee critically reviews periodically the adequacy of internal controls and suggests control measure for further improvement / transparency.

FIXED DEPOSITS:

The Company does not hold any deposits from the public or others as at 31 March, 2008 and hence, the company does not have any unpaid deposit or interest.

DIRECTORS:

Mr.K.V.Aiyappan, Director and Mr.L.V.Anantram, Director retiring by rotation, being eligible have offered themselves for re-appointment.

At the Board Meeting held on 23/04/2008, Mr.P.Sankaran, Executive Director has been re-appointed for a period of one year w.e.f.: 19-06-2008 on the terms and conditions as detailed in the Special resolution placed for shareholder's approval.

CORPORATE GOVERNANCE REPORT:

A Certificate from the auditor of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this Report.



RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS:

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, (Act) your Directors confirm that :

- 1 In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- 2 Directors had selected such accounting policies and 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 and of the profit of the company for that period.
- 3 Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- 4 Directors had prepared the annual accounts on a going concern basis.

STATUTORY DISCLOSURES:

- (i) Since none of the employees are in receipt of such remuneration for being included in the statement under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, the information in this regard is nil.
- (ii) The provisions of Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 requiring disclosure of particulars regarding Conservation of Energy in Form A and Technology Absorption in Form B prescribed by the Rules do not apply to your Company, as it does not carry on manufacturing activities.
- (iii) The Company had no foreign exchange inflow and outflow.

AUDITOR:

Your Company's Auditor Mr.K.C.Sthalasayanam, Chartered Accountant holds office till the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. Your Directors recommend his re-appointment.



ACKNOWLEDGEMENTS:

Your Directors wish to place on record their gratitude to you as shareholders for your continued support. They are thankful to your Company's Clients, Bankers, Reserve Bank of India, FIHPA, SIHPA, SEBI, MSE, BSE and other Government Agencies for their valuable assistance.

They also wish to convey their appreciation to the employees whose dedicated service has enabled your Company to function satisfactorily in a difficult business climate.

On behalf of the Board

Place : Chennai.

Date : 23.04.2008.

L.V.ANANTRAM

Director

P.SANKARAN

Executive Director



CERTIFICATE ON CORPORATE GOVERNANCE:

To

The Members,
Abirami Financial Services (India) Limited

I have examined all relevant records of M/s Abirami Financial Services (I) Ltd., for the purpose of certifying compliance of the conditions of corporate governance under Clause 49 of the Listing Agreement with the Stock Exchanges for the Financial year ended 31st March, 2008.

I have obtained all the information and explanations, which to the best of my knowledge and beliefs were necessary for the purpose of my certification.

The compliance of the conditions of the Corporate Governance is the responsibility of the Management. My examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the company.

On the basis of my examination of the records produced, explanations and information furnished, I certify that the company has complied with :

- a) All the mandatory conditions of the said Clause 49 of the Listing Agreement.
- b) The following non-mandatory requirements of the said Clause 49 of the Listing Agreement :
 - i) Remuneration committee
 - ii) Whilst blower mechanism

Place : Chennai
Date : 23.04.2008

K.C. STHALASAYANAM
Chartered Accountant



CORPORATE GOVERNANCE REPORT

M/S.ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED has implemented code on corporate governance introduced by The Securities Exchange Board of India (SEBI).

1 COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all its inter-actions with its stakeholders, including shareholders, the government, lenders and the employees.

2 BOARD OF DIRECTORS

The Members of the Board of Directors are persons with considerable expertise in Audit, Accounts, Administration, Banking, Software, Finance and International Business. The company is very much benefited by the experience and skills of the Board of Directors.

The Board consists of Seven Directors of which one person is the Executive Director and Six others are Non-Executive Directors. The Executive Director is Mr.P.Sankaran. Mr.K.V.Aiyappan and Mr.Teckchand Vaswani are the promoter Directors as well as Non-Executive Directors. Mr.L.V.Anantram is another Non-Executive Director. Mr.K.V.Aiyappan chairs the board. Mr.R.Varadarajan, Mr.T.V.Srinivasan and Mr.V.G.Suresh Kumar are Independent Non-Executive Directors.

The company has a code of conduct for Directors and Senior Management personnel. The code is available on the official website of the company: www.afslindia.com

All Directors and Senior Management Personnel have affirmed compliance with the code of conduct approved and adopted by the Board of Directors.

A declaration in this regard, duly signed by the Executive Director is given at the end of the Corporate Governance Report.



CEO/CFO Certificate given by the Executive Director relating to financial reporting and Internal Controls for the financial year ended 31st March 2008 is available at the end of the Corporate Governance report. As per Listing Agreement the CEO/CFO had also given certificate for the quarter ended 30th September 2007, 31st December 2007 and 31st March, 2008.

BOARD MEETINGS:

The Board of Directors formulates the business policies of the company and decides on main issues concerning the company. During the year under review, the board has met four times. The meetings were held on 23-04-2007, 23-07-2007, 12-10-2007 and 25-01-2008.

The details of attendance at Board Meetings and details of other Directorships, Committee Chairmanship/Membership held by the Directors during the year are as follows :

Name of the Director	No. of Board Meetings attended	Directorship of companies other than M/s Abirami Financial Services (I) Ltd.		Committee in which Chairman / Member Other than M/s Abirami Financial Services (I) Ltd.	
		Chairman	Director	Chairman	Director
K.V.Aiyappan	3	7	6	—	—
Teckchand Vaswani	1	—	6	—	—
L.V.Anantram	4	—	2	—	1
P.Sankaran	4	—	1	—	1
R.Varadarajan	4	—	2	—	—
T.V.Srinivasan	4	—	2	—	—
V.G.. Suresh Kumar	4	—	—	—	—

All the Directors except Mr.Teckchand Vaswani attended the AGM held on 22-06-2007.



AUDIT COMMITTEE:

The Audit Committee reviews the Financial accounting policies, Internal control systems, re-appointment of Statutory Auditor and interacts with the Statutory Auditor. The Executive Director and the Statutory Auditor are invitees to the Committee Meetings. The Company Secretary is the Secretary for the Audit Committee.

Besides, the Audit Committee reviews related party transactions, quarterly, annual financial results, performance of statutory auditors, management discussion and analysis of financial position and results of operations, observation of management / external auditors on weaknesses of internal control systems of the company and follow up reports of management.

During the year the committee met 4 times on 21-04-2007, 21-07-2007, 10-10-2007 and 24-01-2008. Composition of the committee and attendance of members are as follows:

<u>Names of the Members</u>		<u>No.of Meetings Attended</u>
Mr.R.Varadarajan	Chairman	4
Mr.L.V.Anantram	Member	4
Mr.T.V.Srinivasan	Member	4

REMUNERATION COMMITTEE:

The Board has constituted remuneration committee comprising of one Non-Executive Independent Director Mr.R.Varadarajan and Two Non-Executive Directors viz. Mr.K.V.Aiyappan and Mr.L.V.Anantram. Mr.K.V.Aiyappan is chairman of the committee and other two directors are its members.

The committee has the mandate to review and recommend remuneration payable to the Whole-time Director/Executive Director based on their performance. The remuneration committee has met on 23rd April 2008 to consider payment of remuneration to Mr.P.Sankaran, Executive Director on his re-appointment. Mr. R. Varadarajan and Mr. L.V. Anantram attended the meeting.



REMUNERATION OF DIRECTORS:

The Non-Executive Directors of the company are paid sitting fees of Rs.10,000/- for attending each board meeting and no fees is paid for committee meetings.

Apart from sitting fees no remuneration / commission is paid to Non-Executive Directors.

The details of sitting fees paid and number of shares held by Non-Executive Directors are as follows:

NAME OF THE DIRECTOR	SITTING FEES	NO.OF SHARES HELD
Shri.K.V.Aiyappan	Rs.30,000/-	24,65,000
Shri.Teckchand Vaswani	Rs.10,000/-	10,80,000
Shri. L. V. Anantram	Rs.40,000/-	1,800
Shri .R. Varadarajan	Rs.40,000/-	Nil
Shri.T.V.Srinivasan	Rs.40,000/-	Nil
Shri.V.G.Suresh Kumar	Rs.40,000/-	Nil

The Executive Director of the company Mr.P.Sankaran was appointed on contractual basis for a period of one-year w.e.f.19-06-2007 on a remuneration of Rs.19000/- per month consisting of basic salary Rs.15,500/- plus Conveyance allowance of Rs.3,500/- per month. He has been re-appointed for a further period of one year with effect from 19-6-2008 at a remuneration of Rs.21,000/- Per month consisting of basic salary Rs.17,500/- plus Conveyance allowance of Rs.3,500/- Per month. He is also entitled to other benefits and reimbursement of expenses on one residential telephone as per Company rules. Either party can terminate the employment by giving one-month notice in writing. There is no separate provision for payment of severance fees. The remuneration is within limit of schedule XIII of the Companies Act, 1956.

The company has not granted any stock option to any of its directors.



SHARE TRANSFER / INVESTOR GRIEVANCE COMMITTEE:

The Board has constituted Shareholder's / Investor's Grievance Committee comprising of Mr.R.Varadarajan, Non-Executive Independent Director as Chairman, Mr.L.V.Anantram, Non-Executive Director and Mr.P.Sankaran, Executive Director as members of the committee. The Committee oversees the performance of the Registrars and Share Transfer Agents of the company and recommends measures for overall improvement in the quality of Investor services. The committee is empowered to approve and monitor transfers, transmission, split and consolidation of shares of the company, issue of duplicate share certificates, attends to investor grievances etc, and reviews compliance with various statutory and regulatory requirements.

During this year the committee met seven times on 24-08-2007, 26-10-2007, 20-11-2007, 31-12-2007, 22-01-2008, 15-02-2008 and 20-03-2008.

The Names and attendance of the committee members are given below:

<u>Name of the Members</u>	<u>Meetings Attendance</u>
Shri.R.Varadarajan	7
Shri.L.V.Anantram	6
Shri.P.Sankaran	7

Mr.J.Narassimhan, company secretary is the compliance officer. He acts as secretary of the committee. No investor complaints were received during the year. Hence, there is no pending complaints. No share transfers are pending at the end of the financial year.

GENERAL BODY MEETINGS:

The last three Annual General Meetings of the Company were held as under:

<u>Year</u>	<u>Location</u>	<u>Date</u>	<u>Time</u>
2004-05	Registered Office	09-07-2005	11.00A.M.
2005-06	Registered Office	24-06-2006	11.00A.M.
2006-07	Registered Office	22-06-2007	12.15P.M.



Following Special Resolutions were passed in the previous three AGMs.

1. Re-appointment of Executive Director and Payment of Remuneration - 09-07-2005.
2. Place of keeping the Register of Members - 22-06-2007.
3. Re-appointment of Executive Director and Payment of Remuneration - 22-06-2007.

No Special resolution was passed at the AGM held on 24-06-2006.

The company has not placed any resolution requiring postal ballot as required by the companies (passing of resolution by postal ballot) Rules, 2002 / Clause 49 of the Listing agreement for shareholders approval during last year.

DISCLOSURES:

- 1 **Disclosures 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 may have potential conflict with the interests of the company at large.**
None of the transactions with any of the parties was in conflict with the interest of the company.
- 2 **Pecuniary relationship or transactions of the Non-Executive Directors of the Company with the Company: NIL.**
- 3 **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: NIL.**
- 4 The Accounting Treatment prescribed under the Accounting Standards has been followed by the company and there is no deviation.
- 5 The company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.



- 6 The company complies with the following Non-mandatory requirements:
- a) The Company has set up a Remuneration Committee comprises of one Non-Executive Independent Director and two Non-Executive Directors. The details of the committee are given in this report below audit committee details.
 - b) Whistle Blower policy: The Company has a whistle blower mechanism wherein the employees are free to report violation of laws, rules, regulations or unethical conduct to their immediate superiors or such other person as may be notified from time to time by the management. The confidentiality of those reporting violations shall be maintained and they shall not be subjected to any discriminatory practices. No person had been denied access to the Audit Committee.
 - c) The other Non-mandatory requirements will be adopted as and when necessary.

MEANS OF COMMUNICATION:

- 1) Quarterly Un-audited results and Annual Audited Results of the company were published in accordance with the Stock Exchange Listing Agreement. The Company published the results in News today (Evening) and Malai Sudar (Tamil) both at Chennai. The Company had also sent the results to the Stock Exchanges where the Company's Shares are listed. The results were also published at company's website: www.afslindia.com.
- 2) Management discussion and analysis forms part of the Directors' report, which is being posted to the shareholders of the company.
- 3) Mr.J.Narassimhan, Company Secretary is the Compliance officer appointed by the board. He can be contacted for Investor related matters relating to the company. His contact numbers are (044) 24356224/24355869 and E-mail Id: abicompliance@afslindia.com



GENERAL SHAREHOLDER INFORMATION:

- 1 Annual General Meeting :
Day, Date and Time : Monday, 23.06.2008 at 10.15 A.M.
Venue : Registered Office
"Capital Place"
New No. 16 (Old No. 50), South Boag Road,
T. Nagar, Chennai 600 017
- 2 Financial year : April 01,2008 to March 31, 2009.
The Financial results will be adopted as per the following tentative schedule:
Result for the Quarter ending 30 June, 2008 - Last Week of July 2008
Result for the Quarter ending 30 Sep., 2008 - Last Week of Oct. 2008
Result for the Quarter ending 31 Dec., 2008 - Last Week of Jan. 2009
Result for the Year ending 31 March, 2009 - Last Week of June 2009
- 3 Book Closure Date : Wednesday, 18th June, 2008 to Monday,
23rd June, 2008 (Both days inclusive)
- 4 Dividend Payment Date : Not Applicable
- 5 Equity Shares Listed on
Stock Exchanges at : 1 Madras Stock Exchange Limited, Chennai
2 Bombay Stock Exchange Limited, Mumbai.
- 6 Stock Code No. & ISIN No. : MSE: ABIFINSER & BSE: 511756.
ISIN No.INE 195101013.
- 7 Annual Listing Fees : Paid to the Madras Stock Exchange Limited
and Bombay Stock Exchange Limited upto 2008-09.



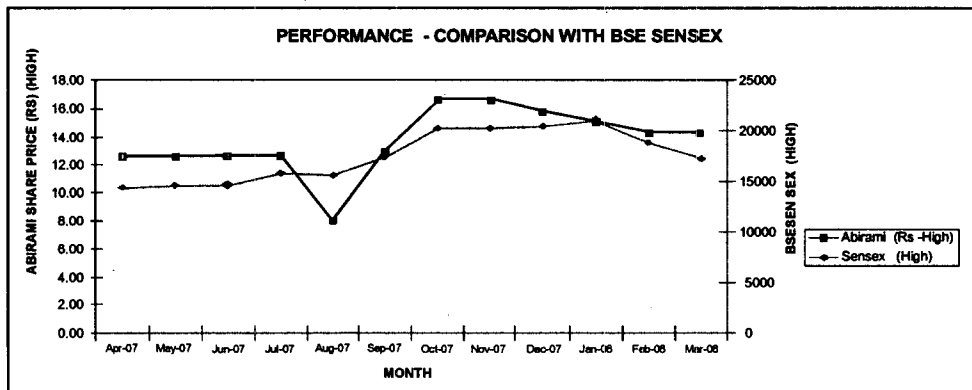
8 Stock Market Data* :

<u>MONTH</u>	<u>HIGH (Rs.)</u>	<u>LOW(Rs.)</u>
April 2007	12.60	8.04
May 2007	12.60	8.04
June 2007	12.60	8.04
July 2007	12.60	8.04
August 2007	8.00	7.64
September 2007	13.02	7.27
October 2007	16.60	13.67
December 2007	15.80	15.05
January 2008	15.10	15.00
February 2008	14.26	14.26
March 2008	14.26	14.26

(Source from BSE Website)

* The data pertaining to our shares during the financial year ended 31st March, 2008 in MSE is Nil.

9 Share Price Performance :





- 10 Registrars and Transfer Agents** : **M/s.Cameo Corporate Services Limited**
1, Club House Road,
Chennai - 600 002.
Phone No. (044) 28460390 - 6 lines, 28460084
Fax No. (044)28460129
E-Mail ID: cameo@cameoindia.com
Contact person:
R.D. RAMASWAMY
VICE PRESIDENT
D. NARASIMHAN
SENIOR EXECUTIVE
- 11 Share Transfer system** : **The share transfers received in physical form are processed by the share transfer agents M/s.Cameo corporate services limited and share Certificates are despatched to the transferee after getting approval from share transfer committee. Normally, the process is completed within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Share transfer committee meetings are held as and when the requirement arises.**
- The Board has delegated the authority for Approving transfer/transmission etc. to the Committee. Details of transfers approved by the Committee is placed at every Board Meeting. The company obtains half-yearly certificate of compliance relating to share transfer formalities as per Clause 47(C) of the Listing Agreement from a practicing company secretary and files the certificate with MSE and BSE.**



12 Share holding pattern and Distribution of Shareholding as on 31 March, 2008.

<u>Particulars</u>	<u>No.of Shares Held</u>	<u>Percentage</u>
Promoter Holdings:		
Indian	24,65,000	41.08%
Foreign	10,80,000	18.00%
Non-Promoter Holdings:		
Director	1,800	0.03%
Private Corporate Bodies	9,21,513	15.36%
NRI's	9,16,100	15.27%
Indian Public	6,15,587	10.26%

<u>Category</u>	<u>Total No. of Shareholders</u>	<u>% of Shareholders</u>	<u>Total Shares</u>	<u>% of total equity</u>
0-500	720	91.60	71,387	1.19
501-1000	22	2.80	18,300	0.30
1001-2000	14	1.78	22,900	0.38
2001-3000	3	0.38	8,100	0.14
3001-4000	1	0.13	3,700	0.06
4001-5000	4	0.51	19,100	0.32
5001-10000	3	0.38	28,300	0.47
10001 & Above.	19	2.42	58,28,213	97.14
Total	786	100	60,00,000	100



- 13 **Dematerialisation of Shares :** 40,38,713 Equity shares i.e.67.31% of company's paid up capital has been dematerialized upto 31st March 2008. Balance 19,61,287 shares i.e. 32.69% are in Physical form. The total No. of Shareholders holding shares in physical Form is 745 and in Demat form is 41. Your Company's shares are shifted from ' Z ' to ' B ' category in B.S.E effective from February 2008. Shareholders are requested to Demat their holdings at the earliest to have Liquidity.
- 14 **Your Company does not have any GDRS/ADRS/Warrants or any other Convertible instruments.**
- 15 **Investor Correspondence :** Investors clarifications/queries regarding Transfer/Transmission and any query Relating to shares of the company in Physical form can be sent to the RTA Agents, M/s. Cameo Corporate Services Limited.
For shares held in Demat form, the details Can be obtained from Investors Depository Participants and / or M/s. Cameo Corporate Services Limited.
- 16 **Any query on Annual Report :** J.Narassimhan, Company Secretary, Abirami Financial Services (India) Ltd., "Capital Place", No.16/50, South Boag Road, T.Nagar, Chennai - 600 017.
E-mail Id.: abicompliance@afslindia.com
- 17 **Transfer of unpaid/unclaimed Dividend Amount to Investor Education and Protection Fund:-**



Pursuant to Section 205-C of the Companies Act, 1956, during the year under review, an amount of Rs.1,010/- belonging to unpaid/unclaimed dividend for the Financial year 1999-2000, has been transferred to Investor Education and Protection Fund. The company is required to transfer Unpaid /Unclaimed dividend for the financial year 2000 – 2001 to Investor Education and Protection Fund in the month of August 2008. Shareholders who have not encashed their dividend warrants in respect of financial year 2000 – 2001 are requested to contact the Company at its Registered Office at the earliest.



COMPLIANCE ON THE CODE OF CONDUCT

I hereby confirm, that

The company has obtained from all the Members of the Board and Senior Management Personnel, affirmation that they have complied with the code of conduct for Directors and Senior Management Personnel in respect of financial year 2007-2008.

Place : Chennai
Date : 23.04.2008

P. SANKARAN
Executive Director



CEO/CFO CERTIFICATION

To

The Board of Directors,
M/S.ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED
No.16/50, South Boag Road,
T.Nagar, Chennai – 600 017.

Dear Sirs,

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2008 and to the best of our knowledge and belief that:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
 - (iii) No transactions entered into by the Company during the above said period which are fraudulent, illegal or violative of the company's code of conduct.
- (b) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.



(c) We have indicated to the auditors and the Audit committee

- (i) Significant changes in internal control over financial reporting during the year;
- (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Chennai.
Date : 23-04-2008.

P.SANKARAN
Executive Director



AUDITOR'S REPORT

To the Members of Abirami Financial Services (India) Limited

I have audited the attached Balance Sheet of M/s. Abirami Financial Services (India) Limited as on 31 March, 2008 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted the audit in accordance with auditing standards generally accepted in India. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion and I report that:

- 1 I have obtained all the information and explanation which to the best of my knowledge and belief were necessary for the purpose of my audit.
- 2 In my opinion, proper books of accounts as required by law have been kept by the company so far as appears from my examination of such books.
- 3 The Balance Sheet and Profit and Loss Account dealt with by this report are prepared in accordance with the Accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956.
- 4 The Balance Sheet and Profit and Loss Account dealt with by this report are in accordance with the books of account.
- 5 On the basis of written representations received from the directors of the company, as at March 31, 2008 and taken on record by the Board of Directors, I report that none of the directors are disqualified as on 31st March 2008 from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.



6 In my opinion and to the best of my information and according to the explanations given to me, the said accounts read with notes thereon give the information required by the Companies Act, 1956 in the manner so required to give a True and Fair view:

In the case of Balance Sheet of the state of affairs of the Company as at 31 March, 2008 and

In the case of Profit and Loss Account, Profit for the year ended on that date.

As required by the Companies Auditors' Report Order, 2003 in terms of Section 227 (4A) of the Companies Act, 1956, I report that:

- 1 The Company is maintaining proper records of its Fixed Assets showing full particulars including quantitative details and situation of Fixed Assets. The Fixed Assets have been physically verified by the Management periodically which in my opinion is reasonable. No discrepancies were noticed on such physical verification.
- 2 Substantial part of the Fixed Assets have not been disposed off during the year affecting the going concern.
- 3 The Company is principally engaged in Hire Purchase & Financial activities and as such the company does not carry any finished goods, raw materials and spare parts and hence, the question of physical verification of the same does not arise.
- 4 The Company has not taken / granted any loans secured or unsecured from the companies or firms or other Parties referred to under Section 301 of the Companies Act, 1956.
- 5 The rate of interest and other terms and conditions of loans given or taken by the company, secured or unsecured, are not prima facie prejudicial to the interest of the company.
- 6 The parties to whom loans or advances in the nature of loans were given by the company are repaying the Principle amounts as stipulated and are also regular in payment of interest where applicable.



- 7 For overdue amount of more than one lakh, reasonable steps have been taken by the company for recovery of the principal and interest.
- 8 In my opinion there is an adequate internal control procedure commensurate with the size of the company and the nature of its business for the fixed assets. There is no continuing failure to correct major weaknesses in internal control.
- 9 During the year there were no purchase of goods or materials and sale of goods materials or services exceeding Rs.50,000/- in value to or from firms, companies or other parties in which directors are interested in pursuance of contract entered into with them as maintained under section 301 of the Companies Act, 1956.
- 10 The Company has not accepted deposits to which provisions of Section 58A and 58 AA of the Companies Act, 1956 are applicable.
- 11 As the Company being a listed company having a paid-up capital and reserves exceeding Rs.50 lakhs as at the commencement of the financial year concerned has an internal audit commensurate with its size and nature of its business.
- 12 The Central Government has not prescribed the maintenance of cost records by the company under Section 209 (1) (d) of the Companies Act, 1956.
- 13 The Company does not have Provident Fund and Employees State Insurance Schemes as the same are not applicable at present.
- 14 There are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs duty and Excise duty as at 31.03.2008 which were outstanding for a period of more than six months from the date they become payable.
- 15 The company has not defaulted in repayment of dues to a financial institution or bank or debenture holder.
- 16 The company maintains adequate documents and records in respect of loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



- 17 The provisions of special statute as to the Chit funds, Nidhi or Mutual Benefit Society are not applicable to the Company.
- 18 The company maintains proper records of transactions and contracts in respect of shares, securities and other investments and timely entries have been made therein. The company does not hold shares, securities, and debentures in its own name except to the extent of the exemption granted under section 49 of the Act.
- 19 The Company has not availed of any term loan.
- 20 The funds raised on short-term basis have not been used for long-term investment and vice versa.
- 21 The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- 22 The company has not raised money by public issue.
- 23 There is no fraud on or by the company noticed or reported during the year.
- 24 In respect of hire money due on Stock on Hire Purchase Agreements entered into by the company in the ordinary course of business, where instalments are overdue, I am of the opinion that reasonable steps have been taken by the company for recovery of the same.

Place: Chennai
Date: 23.04.2008

K.C. STHALASAYANAM
Chartered Accountant



BALANCE SHEET AS AT 31 MARCH 2008

	SCHEDULE	ASAT 31.03.2008 Rs.	ASAT 31.03.2007 Rs.
I SOURCE OF FUNDS			
1 SHARE HOLDER FUNDS			
A. CAPITAL	A	6,00,00,000	6,00,00,000
B. RESERVES & SURPLUS	B	1,07,16,699	90,30,977
2 LOAN FUNDS			
A. UNSECURED LOANS	C	27,78,800	28,89,400
		<u>7,34,95,499</u>	<u>7,19,20,377</u>
II APPLICATION OF FUNDS			
1 FIXED ASSETS			
GROSS BLOCK	D	11,05,05,950	10,23,31,743
LESS:			
ACCUMULATED DEPRECIATION		6,31,12,788	5,52,18,639
NETBLOCK		<u>4,73,93,162</u>	<u>4,71,13,104</u>
2 INVESTMENTS			
	E	65,04,531	86,90,355
3 CURRENT ASSETS, LOANS & ADVANCES			
A. CURRENT ASSETS	F	24,57,144	55,92,874
B. LOANS & ADVANCES	G	2,06,76,323	1,35,60,715
		<u>2,31,33,467</u>	<u>1,91,53,589</u>
LESS:			
CURRENT LIABILITIES	H	18,291	19,301
PROVISIONS	I	35,17,370	30,17,370
NET CURRENT ASSETS		<u>1,95,97,806</u>	<u>1,61,16,918</u>
		<u>7,34,95,499</u>	<u>7,19,20,377</u>

Note : Schedule A to I and Notes on Accounts thereon form part of this Balance Sheet.

As per my report attached

Teckchand Vaswani T.V. Srinivasan
L. V. Anantram V.G. Suresh Kumar
R. Varadarajan
Directors

K. V. Aiyappan
Chairman
P. Sankaran
Executive Director
J. Narassimhan
Company Secretary

Place : Chennai
Date : 23.04.2008

K. C. Sthalasayanam
Chartered Accountant



PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDING 31.03.2008

	ASAT 31.03.2008	ASAT 31.03.2007
SCHEDULE	Rs.	Rs.
I INCOME		
A. INTEREST ON LOANS	11,68,341	9,87,067
B. HIRE CHARGES	55,17,122	43,90,157
C. OTHER INCOME	<u>71,59,848</u>	<u>86,74,482</u>
	1,38,45,311	1,40,51,706
II EXPENDITURE		
A. SALARIES/WAGES & OTHER EMPLOYEES BENEFITS	7,44,804	7,23,866
B. ADMINISTRATIVE & OTHER EXPENSES	30,17,921	28,66,497
C. FINANCIAL EXPENSES	2,715	2,78,936
D. DEPRECIATION	78,94,149	68,93,231
E. BAD DEBTS WRITTEN OFF	0	11,37,707
	<u>1,16,59,589</u>	<u>1,19,00,237</u>
III PROFIT FOR THE PERIOD	21,85,722	21,51,469
Less :		
Provision for Tax	5,00,000	5,00,000
Transfer to Statutory Reserves	<u>3,60,000</u>	<u>3,60,000</u>
	13,25,722	12,91,469
Add :		
Opening Balance in P & L a/c	30,26,946	17,35,477
Balance C/F to Balance Sheet	43,52,668	30,26,946

Note : Schedule J to M and Notes on Accounts thereon form part of this Profit & Loss Account.

As per my report attached

Teckchand Vaswani	T.V. Srinivasan	K. V. Aiyappan
L. V. Anantram	V.G. Suresh Kumar	Chairman
R. Varadarajan		P. Sankaran
Directors		Executive Director
		J. Narassimhan
		Company Secretary

K. C. Sthalaayanam
Chartered Accountant

Place : Chennai
Date : 23.04.2008



SCHEDULES FORMING PART OF ACCOUNTS

	AS AT 31.03.2008 Rs.	AS AT 31.03.2007 Rs.
SCHEDULE 'A' SHARE CAPITAL:		
AUTHORISED		
1,20,00,000 EQUITY SHARES OF RS.10/- EACH	<u>12,00,00,000</u>	<u>12,00,00,000</u>
ISSUED, SUBSCRIBED AND PAID-UP		
60,00,000 EQUITY SHARES OF RS.10/- EACH	<u>6,00,00,000</u>	<u>6,00,00,000</u>
	<u>6,00,00,000</u>	<u>6,00,00,000</u>
 SCHEDULE 'B' RESERVES & SURPLUS:		
GENERAL RESERVES	10,000	10,000
ADD :		
ADDITIONS MADE DURING THE YEAR	<u>0</u>	<u>0</u>
	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
STATUTORY RESERVES (OP. BAL.)	59,94,031	56,34,031
ADD :		
ADDITIONS MADE DURING THE YEAR	<u>3,60,000</u>	<u>3,60,000</u>
	63,54,031	59,94,031
SURPLUS IN P&L ACCOUNT	30,26,946	17,35,477
ADD :		
BALANCE FROM P&L ACCOUNT	1325722	12,91,469
	<u>43,52,668</u>	<u>30,26,946</u>
	<u>1,07,16,699</u>	<u>90,30,977</u>
 SCHEDULE 'C' UNSECURED LOANS		
RENT DEPOSIT	<u>27,78,800</u>	<u>28,89,400</u>
	<u>27,78,800</u>	<u>28,89,400</u>

SCHEDULE 'D'

FIXED ASSETS

Sl. No.	Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		Cost as at 31.03.2007	Additions (Deletions)	As at 31.03.2008	Upto 31.03.2007	For the period 1.4.07 to 31.3.08	As at 31.03.2008	As at 31.03.2007	As at 31.03.2008
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	FOR OWN USE								
1	Land	1,10,15,524	0	1,10,15,524	0	0	0	1,10,15,524	1,10,15,524
2	Buildings	1,99,51,913	0	1,99,51,913	60,15,271	6,96,829	67,12,100	1,39,36,642	1,32,39,813
3	Furniture & Fittings	16,44,778	20,607	16,65,385	8,19,650	1,51,214	9,70,864	8,25,128	6,94,521
4	Interior Decoration	1,21,43,548	13,500	1,21,57,048	41,27,942	8,02,235	49,30,177	80,15,606	72,26,871
5	Office Equipments	35,44,416	1,93,950	37,38,366	23,64,828	2,48,611	26,13,439	11,79,588	11,24,927
6	Electrical Fittings	95,85,090	8,84,380	1,04,69,470	36,85,210	12,74,473	49,59,683	58,99,880	55,09,787
7	Vehicle	16,15,335	0	16,15,335	15,97,713	4,404	16,02,117	17,622	13,218
8	Others	10,780	0	10,780	10,780	0	10,780	0	0
9	Computers	97,59,089	70,61,770	1,68,20,859	46,41,785	44,95,222	91,37,007	51,17,304	76,83,852
10	Genset	14,05,424	0	14,05,424	2,99,614	2,21,161	5,20,775	11,05,810	8,84,649
	Sub Total	7,06,75,897	81,74,207	7,88,50,104	2,35,62,793	78,94,149	3,14,56,942	4,71,13,104	4,73,93,162
	LEASED ASSETS								
	Plant & Machinery	3,16,55,846	0	3,16,55,846	3,16,55,846	0	3,16,55,846	0	0
	GRAND TOTAL	10,23,31,743	81,74,207	11,05,05,950	5,52,18,639	78,94,149	6,31,12,788	4,71,13,104	4,73,93,162





AS AT
31.03.2008

AS AT
31.03.2007

Rs.

Rs.

SCHEDULE 'E' INVESTMENTS (AT COST)

A. INVESTMENT IN SHARES

48,50,355

(A) QUOTED—EQUITY SHARES

SL. NO.	COMPANY	NO. OF SHARES	COST PRICE
1.	GMR INFRASTRUCTURE LTD.	2430	2,61,789
2.	NEULAND LABS LTD.	5400	8,23,668
3.	NOCIL LTD.	4500	1,13,026
4.	NOIDA TOLL BRIDGE LTD.	900	23,615
5.	FORTIS HEALTHCARE LTD.	2880	2,39,765
6.	SUVEN LIFE SCIENCES LTD.	2880	1,06,250
7.	ZENSAR TECHNOLOGIES LTD.	2430	3,82,288
7.	RELIANCE POWER LTD.	630	2,36,107
8.	IVR-PRIME URBAN DEVELOPERS LTD.	270	54,042
	Total	22320	22,40,550
	Add : Others	—	4,23,981
	Total	22320	26,64,531

**B. OTHER INVESTMENTS (Unquoted)
IN ASSOCIATE COMPANY:**

M/S YOHA SECURITIES LIMITED

38,40,000

38,40,000

65,04,531

86,90,355



	ASAT 31.03.2008	<i>AS AT</i> <i>31.03.2007</i>
	Rs.	Rs.
SCHEDULE 'F' CURRENT ASSETS		
A. STOCK ON HIRE UNDER HIRE AND VEHICLE HP AGREEMENTS (AT THE PRINCIPAL VALUE LESS AMOUNTS RECEIVED)	14,12,992	39,23,186
B. BALANCE IN CURRENT ACCOUNT WITH SCHEDULED BANKS	10,37,985	16,67,142
C. CASH ON HAND	6,167	2,546
	<hr/> 24,57,144 <hr/>	<hr/> 55,92,874 <hr/>



	Rs.	ASAT 31.03.2008 Rs.	Rs.	AS AT 31.03.2007 Rs.
SCHEDULE 'G' LOANS AND ADVANCIES				
(SECURED CONSIDERED GOOD)				
I LOANS:				
AGAINST SHARES	77,50,000		52,50,000	
DEMAND LOANS	18,74,986		2,64,994	
		<u>96,24,986</u>	<u>55,14,994</u>	
II ADVANCE & DEPOSITS				
(RECOVERABLE IN CASH OR KIND)				
SALES TAX DEPOSIT	12,000		12,000	
TELEPHONE DEPOSIT	1,01,220		1,01,220	
ELECTRICITY DEPOSIT	7,03,667		4,46,020	
TAX DEDUCTED AT SOURCE	84,98,479		58,24,892	
OTHER ADVANCES	0		1,700	
LEGAL CHARGES RECOVERABLE	0		1,33,918	
ADVANCE INCOME TAX	14,91,380		14,91,380	
V SAT DEPOSIT (M/s K.C.S.-BSE)	25,000		25,000	
FRINGE BENEFIT TAX	9,591		9,591	
DP/DEMAT - DEPOSIT	10,000		0	
RENT DEPOSIT	2,00,000		0	
		<u>1,10,51,337</u>	<u>80,45,721</u>	
		<u>2,06,76,323</u>	<u>1,35,60,715</u>	
SCHEDULE 'H' CURRENT LIABILITIES				
CURRENT LIABILITIES				
UNCLAIMED DIVIDEND		<u>18,291</u>	<u>19,301</u>	
		<u>18,291</u>	<u>19,301</u>	
SCHEDULE 'I' PROVISIONS				
PROVISION FOR DEFERRED TAX		6,00,000	6,00,000	
PROVISION FOR NPA		9,17,370	9,17,370	
PROVISION FOR TAX		20,00,000	15,00,000	
		<u>35,17,370</u>	<u>30,17,370</u>	



	AS AT 31.03.2008	AS AT 31.03.2007
Rs.	Rs.	Rs.
SCHEDULE 'J' OTHER INCOME		
A. INTEREST ON FD DEPOSITS/GOVT. BONDS	21,034	1,63,801
B. COMMISSION AND SERVICE CHARGES	0	1,58,211
C. DIVIDEND INCOME	3,79,360	3,83,694
D. MISC. INCOME & COMMISSION ON BILLS	17,500	2,04,823
E. PROFIT ON TRADING OF SHARES	16,58,486	18,93,763
F. RENTAL INCOME	50,83,468	58,70,190
	<u>71,59,848</u>	<u>86,74,482</u>
SCHEDULE 'K' SALARIES, ALLOWANCES AND BONUS		
A. SALARIES	5,68,419	5,54,473
B. STAFF WELFARE	73,589	71,228
C. ENTERTAINMENT EXPENSES	17,328	18,000
D. MEDICAL ALLOWANCE	25,503	24,000
E. EXGRATIA & BONUS	59,965	56,165
	<u>7,44,804</u>	<u>7,23,866</u>



	AS AT 31.03.2008 Rs.	AS AT 31.03.2007 Rs.
SCHEDULE 'L' ADMINISTRATIVE AND OTHER EXPENSES		
A. VEHICLE MAINTENANCE	5,833	8,823
B. TELEPHONE CHARGES	79,840	84,726
C. SUBSCRIPTION AND PRESENTS	53,243	21,080
D. FILING FEES	3,500	12,500
E. DIRECTORS SITTING FEES	2,00,000	2,25,000
F. ELECTRICITY CHARGES	1,78,256	1,07,477
G. POOJA EXPENSES	6,019	5,063
H. PRINTING & STATIONERY	49,348	38,511
I. POSTAGE & TELEGRAMS	8,105	8,067
J. TRAVELLING & CONVEYANCE	5,54,280	6,69,838
K. INSURANCE	97,620	94,846
L. REPAIRS & MAINTENANCE	6,51,198	8,99,546
M. ADVERTISEMENT EXPENSES	2,18,680	26,480
N. BUSINESS DEVELOPEMENT	15,584	18,700
O. BOOKS & FORMS	11,649	13,246
P. MISCELLANEOUS EXPENSES	71,665	51,448
Q. ROFESSIONAL CHARGES	5,500	27,498
R. RATES & TAXES (INCLUDES PROPERTY TAX)	1,84,616	2,24,396
S. ANNUAL LISTING FEES	36,000	36,000
T. SECURITY CHARGES	1,65,808	1,69,603
U. DEMAT CHARGES	1,010	6,527
V. AUDIT FEES	84,180	85,680
W. FUEL & OIL EXPENSES	16,813	20,206
X. CUSTODIAL CHARGES	11,224	11,236
Y. RENT PAID	1,29,032	0
Z. LEGAL CHARGES	1,78,918	0
	<u>30,17,921</u>	<u>28,66,497</u>
SCHEDULE 'M' FINANCIAL EXPENSES		
A. BANK CHARGES	2,715	2,936
B. INTEREST ON FIXED DEPOSIT	0	2,76,000
	<u>2,715</u>	<u>2,78,936</u>



NOTES ON ACCOUNTS:

- 1 The Financial Statements are prepared in accordance with the historical cost convention and applicable accounting standards.
- 2 Accrual method of accounting is followed with regard to Income and Expenses.
- 3 Income from Hire Purchase Advances are accounted by adopting Internal Rate of Return Method for the Instalments due as per the Agreement.
- 4 Fixed Assets are stated at cost less Depreciation.
- 5 Depreciation has been provided on the written down value method at the rates specified (on prorata basis) in Schedule XIV of the Companies Act, 1956.
- 6 Stock on Hire has been valued at the amount advanced less instalments received.
- 7 Investments are stated at cost.
- 8 Auditor's Remuneration:

	Rs.
Audit Fees	35,000.00
Tax Audit Fees	20,000.00
Management Services & Certification Work	20,000.00
Out of Pocket Expenses & Service Tax	9,180.00
- 9 Expenditure in Foreign Currency : NIL.
- 10 Contingent liability not provided for : NIL.
- 11 Figures have been regrouped or reclassified wherever necessary.
- 12 Figures have been rounded off to the nearest rupee.
- 13 The previous year figures for the Balance Sheet and Profit and Loss A/c are given wherever applicable.
- 14 Managerial Remuneration:
Total Managerial Remuneration paid to Executive Director: Rs.2,34,983/-

As per my report attached

Teckchand Vaswani	T.V. Srinivasan	K. V. Aiyappan
L. V. Anantram	V.G. Suresh Kumar	Chairman
R. Varadarajan		P. Sankaran
	Directors	Executive Director
		J. Narassimhan
		Company Secretary

Place : Chennai
Date : 23.04.2008

K. C. Sthalasayanam
Chartered Accountant



**SCHEDULE TO THE BALANCE SHEET OF
ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED
(AS REQUIRED IN TERMS OF PARAGRAPH 9BB OF NON BANKING FINANCIAL
COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 1998)**

PARTICULARS

Liabilities Side :	Amount Outstanding Rs.	Amount Overdue Rs.
1 Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	0	0
Unsecured (other than falling within the meaning of public deposits)	0	0
(b) Deferred Credits	0	0
(c) Term Loans	0	0
(d) Inter-corporate loans and borrowing	0	0
(e) Commercial Paper	0	0
(f) Public Deposits	0	0
(g) Other Loans (specify nature) Deposits from Directors and their Relatives	0	0
2 Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	0	0
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	0	0
(c) Other public deposits	0	0
<u>Assets Side:</u>		Amount Outstanding
3 Break-up of Loans and Advances including bills receivables (Other than those included in (4) below):		
(a) Secured		0
(b) Unsecured		0



4 Break-up of Leased Assets and Stock on Hire and Hypothecation	Rs.
Loans counting towards EL/HP activities:	
(i) Lease assets including lease rentals under sundry debtors:	
(a) Financial Lease	0
(b) Operating Lease	0
(ii) Stock on Hire including hire charges under sundry debtors:	
(a) Assets on hire	0
(b) Repossessed Assets	0
(iii) Hypothecation loans counting towards EL/HP activities	
(a) Loans where assets have been repossessed	0
(b) Loans other than (a) above	0
5 Break-up of Investments:	
Current Investments:	
1 Quoted:	
(i) Shares : (a) Equity	26,64,531
(b) Preference	0
(ii) Debentures and Bonds	0
(iii) Units of mutual funds	0
(iv) Government Securities	0
(v) Others (Please Specify)	0
2 Unquoted:	
(i) Shares : (a) Equity	0
(b) Preference	0
(ii) Debentures and Bonds	0
(iii) Units of mutual funds	0
(iv) Government Securities	0
(v) Others (Please Specify)	0
Long Term Investments:	
1 Quoted:	
(i) Shares : (a) Equity	0
(b) Preference	0
(ii) Debentures and Bonds	0
(iii) Units of mutual funds	0
(iv) Government Securities	0
(v) Others (Please Specify)	0



2 Unquoted:	Rs.
(i) Shares : (a) Equity	38,40,000
(b) Preference	0
(ii) Debentures and Bonds	0
(iii) Units of mutual funds	0
(iv) Government Securities	0
(v) Others (Please Specify)	0

6 Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:

Category	Amount of Net Provisions		
	Secured Rs.	Unsecured Rs.	Total Rs.
1 Related Parties			
(a) Subsidiaries	0	0	0
(b) Companies in the same group	0	0	0
(c) Other related parties	0	0	0
2 Other than related Parties	1,10,37,978	0	1,10,37,978
Total	1,10,37,978	0	1,10,37,978

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value/ Break up or fair value or NAV Rs.	Book Value (Net of Provisions) Rs.
	1 Related Parties	
(a) Subsidiaries	0	0
(b) Companies in the same group	38,40,000	38,40,000
(c) Other related parties	0	0
2 Other than related Parties	26,27,541	26,64,531

8 Other Information:

(i) Gross Non-Performing Assets	
(a) Related Parties	
(b) Other than related parties	7,23,186
(ii) Net Non-Performing Assets	
(a) Related Parties	0
(b) Other than related parties	7,23,186
(iii) Assets acquired in satisfaction of debt	0



ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED
BALANCE SHEET ABSTRACT AND COMPANY'S BUSINESS PROFILE AS
PER SCHEDULE VI, PART (IV) OF THE COMPANIES ACT, 1956

I REGISTRATION DETAILS

Registration No.

State Code

CIN No.

Balance Sheet

Date

Date

Month

Year

II CAPITAL RAISED DURING THE YEAR
(AMOUNT RS. IN THOUSANDS)

Public Issue

Bonus Issue

Rights Issue

Private Placement

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS
(AMOUNT RS. IN THOUSANDS)

Total Liabilities

Total Assets

SOURCES OF FUNDS

Paid-up Capital

Reserves and Surplus

Secured Loans

Unsecured Loans

APPLICATION OF FUNDS

Net Fixed Assets

Investments

Net Current Assets

Misc. Expenditure

Accumulated Losses



IV PERFORMANCE OF COMPANY
(AMOUNT RS. IN THOUSANDS)

Total Income Total Expenditure

Profit/Loss Before Tax Profit/Loss After Tax

Earnings Per Share (Rs.) Dividend Rate (%) - NIL

V GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES
OF THE COMPANY

(AS PER MONETARY TERMS) Item Code No. NOT APPLICABLE

Product Description



ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2008

	31.03.08 (Rs. in lakhs)		31.03.07 (Rs. in lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit before tax		21.86	21.51
Adjustments :			
Add: Provision for Depreciation	78.94		68.93
Bad Debts Written Off	-		-
	<u>78.94</u>		<u>68.93</u>
Net Profit before tax and extra-ordinary items		100.80	90.44
Less : Provision for Tax	5.00		5.00
Provision for NPA	-		-
Lease Equalisation Fund	-	5.00	5.00
		<u>5.00</u>	<u>5.00</u>
Operating Profit before working Capital changes		95.80	85.44
Adjustments for Trade and other Receivables	46.06		126.55
Trade Payables	(4.98)		2.74
		<u>41.08</u>	<u>129.29</u>
NET CASH FROM OPERATING ACTIVITIES		<u>54.72</u>	<u>214.73</u>



	31.03.08 (Rs. in lakhs)	31.03.07 (Rs. in lakhs)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	81.74	174.93
Increase / Decrease in Investments	<u>(21.86)</u>	<u>0.90</u>
NET CASH USED IN INVESTING ACTIVITIES	59.88	175.83
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Long term Borrowings	(1.10)	35.81
NET CASH USED IN FINANCING ACTIVITIES	<u>(1.10)</u>	<u>35.81</u>
Net increase in Cash and Cash Equivalents	(6.26)	3.09
Cash and Cash Equivalents as at 01.04.2007	10.44	-
Cash and Cash Equivalents as at 01.04.2006	-	13.60
Cash and Cash Equivalents as at 31.03.2008	16.70	-
Cash and Cash Equivalents as at 31.03.2007	-	16.69

Auditor Certificate

I have examined the above Cash Flow Statement of Abirami Financial Services (India) Limited for the year ended 31st March, 2008. The Statement has been prepared by the Company in accordance with the requirements of clause 32 of Listing Agreement with Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by my report of April 23rd, 2008 to the members of the Company.

Chennai
23.04.2008

K.C. STHALASAYANAM
Chartered Accountant



ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED

“Capital Place” New No. 16 (Old No. 50), South Boag Road, T Nagar, Chennai 600 017.

PROXY

Folio No. _____

I/We..... of..... in the District of..... being member(s) of the above named Company hereby appoint of in the District Of..... Or failing him/her Of..... in the District of..... As my/our Proxy to attend and vote for me/us on my/our behalf at the Fifteenth Annual General Meeting of the Company to be held on Monday, June 23rd, 2008 at 10.15 A.M. and at every adjournment thereof.

Signed this day of 2008.

Address :
.....
.....

Affix
1 Rupee
Revenue
Stamp

Signature

Notes : The proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting. A Proxy need not be a member.

ABIRAMI FINANCIAL SERVICES (INDIA) LIMITED

“Capital Place” New No. 16 (Old No. 50), South Boag Road, T Nagar, Chennai 600 017.

ATTENDANCE SLIP

I hereby record my presence at the **FIFTEENTH ANNUAL GENERAL MEETING** of the Company at “Capital Place”, New No. 16 (Old No. 50), South Boag Road, T Nagar, Chennai 600 017 at 10.15 A.M. on Monday, June 23, 2008.

Full Name of the Shareholder
(In Block Letters)

Signature

Folio No. _____

Full Name of Proxy
(In Block Letters)

Signature



NOTICE UNDER SECTION 302 OF THE COMPANIES ACT, 1956

Regarding the Re-appointment and Payment of Remuneration to Executive Director

Abstract of the Terms of Re-appointment:

- Name of the Director : Mr.P.Sankaran
- Date of Re-appointment : 19-06-2008
- Designation : Executive Director
- Period of Appointment : One Year from 19-06-2008
- Terms of Appointment : (a) Salary : Rs. 17,500/-per Month.
(b) Conveyance Allowance : Rs.3,500/- per Month.
(c) Perquisites : In addition to salary and conveyance allowance Mr.P.Sankaran will also be entitled to other benefits and reimbursement of expenses on one residential telephone as per company's rules".
- Interest of other Directors : Mr.P.Sankaran is interested since it relates to his re-appointment and remuneration. None of the other directors are interested in the re-appointment.

Place: Chennai
Date : 23-04-2008

L.V.ANANTRAM
Director