



**ABREPOSE
FINANCIAL AND TECHNICAL
SERVICES LIMITED**

**ANDHRA BANK RETIRED EMPLOYEES'
PROJECTS OF SELF ENGAGEMENT**

**FIRST ANNUAL REPORT
1992 - 1993**

BOARD OF DIRECTORS

Sri L.V. Satyanarayana, Chairman & Managing Director
Sri B. Ranga Rao
Sri C. Venkatesam
Sri C. S. Shamalal
Sri M. Gopinath
Sri K. S. Gururaja Rao
Sri M.B.S.K. Chainulu
Sri R.V.V. Satyanarayana Murthy
Sri K. V. Subba Rao

AUDITORS

K. S. Ramesh & Co. Secunderabad

Registered Office :

Plot No. 76, Prasanth Nagar Colony,
Malakpet, Hyderabad-500 036.
Telephone : 45510

Administrative Office :

Plot No. 1, Srinilayam
Andhra Bank Colony, Dilsukhnagar,
Hyderabad-500 036.
Telephone : 879011

NOTICE TO SHAREHOLDERS

Notice is hereby given that the First Annual General Meeting of ABBEPOSE FINANCIAL AND TECHNICAL SERVICES LIMITED will be held at 3-6-784/6, Narayanguda, Tajnahal Cafe, Hyderabad at 10.00 a.m. on Monday, 14th day of June, 1993 to transact the following ordinary and special business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited accounts of the company for the period ended 31st March, 1993 together with the reports of the Directors and Auditors thereon.
2. To elect a director in place of Sri L.V. Satyanarayana who retires by rotation and is eligible for re-appointment.
3. To elect a director in place of Sri K.S. Guru Raja Rao who retires by rotation and is eligible for re-appointment.
4. To elect a director in place of Sri C.S. Shamalal who retires by rotation and is eligible for re-appointment.
5. To elect a director in place of Sri M.B.S.K. Chainulu who retires by rotation and is eligible for re-appointment.
6. To elect a director in place of Sri B.Ranga Rao who retires by rotation and is eligible for re-appointment.
7. To elect a director in place of Sri M.Gopinath who retires by rotation and is eligible for re-appointment.
8. To elect a director in place of Sri K.V. Subba Rao who retires by rotation and is eligible for re-appointment.
9. To elect a director in place of Sri C. Venkatesam who retires by rotation and is eligible for re-appointment.
10. To elect a director in place of Sri R.V.V. Satyanarayana Murthy who retires by rotation and is eligible for re-appointment.
11. To consider and, if thought fit, to pass with or without modification, the following resolution :
"RESOLVED THAT M/s. K.S. RAMESH & COMPANY, Chartered Accountants, Secunderabad be and are hereby re-appointed as Auditors of the company from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting, on a remuneration of Rs. 2500/- exclusive of out-of-pocket expenses".

SPECIAL BUSINESS:

12. To consider and, if thought fit, to pass with or without modification, the following resolution which will be proposed as an Ordinary Resolution :
"RESOLVED THAT Shri L.V. Satyanarayana, be and is hereby re-appointed as Chairman and Managing Director of the Company until the next annual general meeting subject to the approval of the Central Government, and he may be paid a consolidated remuneration of Rs. 2000/- per month.
 13. To consider and, if thought fit, to pass with or without modification, the following resolution which will be proposed as a special Resolution :
 - a) "RESOLVED THAT THE consent of the company be and is hereby accorded to the commencement of the business by the company as given in sub clause (1) of part C of clause III of the memorandum of Association namely "To buy sell and trade in all varieties of commodities including food grains, pulses and all other farm produce including vegetable oils, edible and non-edible subject to government regulations in force from time to time, all kinds of consumer goods, consumer durables, manufactured goods, handicrafts, all varieties of textile goods, establish and run departmental stores/super markets, undertake imports and exports, of the above or any other commodities construct or take on lease and run warehouses, godowns and market complexes, construct or take on lease and run safe deposit lockers".
 - b) "RESOLVED THAT THE consent of the company is hereby accorded to the commencement of business by the Company as given in sub-clause (2) of Part C of Clause III of the Memorandum of Association namely undertaking marketing studies for Banks and Customer Service Studies run coaching centres for providing instruction to students and employees to prepare them for competitive examinations conducted by recruitment boards, Indian Institute of Bankers etc."
- "RESOLVED FURTHER that the consent of the Company be and is hereby accorded to the Board of Directors to commence the above business, pursuant to the Provisions of Sub-section (2A) of Section 149 of the Act".

Place : Hyderabad
Date : 22nd May 1993

By and on behalf of the Board of Directors
L. VSATVANARAYANA
Chairman and Managing Director

NOTES :

- (i) The relative Explanatory Statement pursuant to Section 173 (2) of Companies Act, 1956 in respect of the Business set out under items 12 and 13 is annexed hereto.
- (ii) Any member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself; the proxy need not be a member. The proxies should, however, be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
- (iii) Members are requested to notify any change in address immediately to company's Registered Office.

EXPLANATORY STATEMENT

Explanatory Statement in terms of Section 173(2) of the Companies Act, 1956 annexed to and forming part of the Notice convening the First Annual General Meeting.

ITEM NO. 12

Sri L. V. Sathyanarayana was appointed as Chairman and Managing Director of the Company under Section 269 of the Companies Act, 1956 and Article 170 of the Articles of Association of the company with effect from 4th December, 1992 and holds office until the date of this Annual General Meeting.

It is hereby decided by the Board to appoint Sri L. V. Sathyanarayana as Chairman and Managing Director for a further period from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting subject to the approval of Central Government.

Sri L. V. Sathyanarayana, being eligible, offers himself for appointment as Chairman and Managing Director of the Company at this meeting till the conclusion of the next Annual General Meeting.

Except for Sri Sathyanarayana who is interested in the resolution as it deals with his remuneration, no other Director is concerned or interested.

ITEM NO. 13

To create additional employment opportunities for the educated unemployed, sons/daughters and members of family of the retired employees as well as those in service and to expand the operations of the company, it is now decided to establish and run departmental stores/super markets and safe deposit lockers undertake surveys of quality of customer service in Banks, run coaching centres for providing instruction to employees and others to prepare them for competitive examinations as laid down in sub-clause (1) and (2) of Part C of clause III of the memorandum of Association of the Company.

In view of the importance the matter had, and as required by the provisions of sub-section (2A) of section 149 of the companies Act, your Directors feel that it would be desirable to confirm the mandate of the members for the commencement of the new business. No Director is concerned or interested in the resolution.

Your Directors commend the resolution for approval.

By and on behalf of the Board of Directors
L. VSATYANARAYANA
Chairman and Managing Director

DIRECTORS' REPORT

To all Members

We have the pleasure in placing before you our First Annual Report and Audited Accounts for the financial year ended 31-3-93.

Commencement of Business : You are aware that the Company was incorporated in December 1991 and it could be started only from December 1992 onwards, after adequate share capital is mobilised.

Economic Climate : At the time of incorporation, the economic climate for promoting new ventures in private sector was extraordinarily well. It never before looked up so excellent and buoyant. The Government was making every effort possible to stimulate the flow of private capital investment by offering several concessions to trade, commerce and industry by liberalising or totally eliminating controls, licensing policies etc. The developments that took place subsequently had shocked the entire country.

The scam : Following the explosion of the scam in the banking and stock exchange world in April 1992, many undesirable practices pursued by Banks and Stock brokers were brought to light. Many leading banks and financial institutions were found to be involved in the scam which resulted in siphoning of thousand of crores of public funds. All stock exchanges and share markets were shaken to their roots on account of the scandal and they have not fully recovered from the shock even till this date. Needless to say the entire economy of the country came under a severe jolt.

Mobilisation of share capital : This atmosphere had its own impact on our mobilisation of share capital money on private placement basis. The contributions to the share capital only just trickled and they were not just as satisfactory as we expected them to be. In this context it should be mentioned that the Company did no attempt to go for public issue for obvious reasons. Essentially this is a venture promoted by middle and weaker sections of the society primarily to serve their own welfare and these sections have no financial back up worth its name. Their contribution to the equity is therefore necessarily small and in fact the Company never expected more of them. This process, because of limited resources, is necessarily slow.

Still, we are confident of raising the full authorised share capital in times ahead since our main capital base is built up through the subscriptions from the working cadres of Andhra Bank Employees.

Financial Results : We are glad to report that the company earned a net profit of Rs. 547/- before depreciation during the four months of its operations. The Company started lending for personal purposes and also for acquiring consumer durable goods. We are hopeful of employing all funds at the disposal of the Company profitably to yield better results in the next financial year ending with March 94. We also look forward to take up new avenues of business through undertaking other consultancy services, economic surveys etc to augment the profits of the Company substantially and to pay attractive dividends.

Prospects of business during the financial year ending March 1994: We have just been able to secure an assignment from Andhra Bank Credit Card Division for collection of over-dues from the card holders of the Bank and we anticipate to show good results in this regard which will be beneficial to the Bank as well as our own Company. We hope to get an assignment from Indian Bank's Association also in the matter of conducting of surveys regarding quality of customer service in Banks. We anticipate assignments of revenue audits from different banks. We also look forward to establishing and running super markets, coaching centres etc. All these activities can keep the retired personnel engaged in some pre-occupation or other, create additional employment opportunities as envisaged in our objects.

Directors : Under Article No. 144 (3) of the Articles of Association of your company all the present Directors are to retire at the time of the First Annual General Meeting. They are however eligible for reappointment as Directors and all of them offer their services for reappointment.

Auditors : M/s. K.S.Ramesh & Co., Chartered Accountants, Park Lane, Secunderabad also retire at the ensuing Annual General Meeting and they are eligible for re-appointment.

Employees : The Board of Directors are pleased to place on record their appreciation of the co-operation and valuable services rendered by them to the Company.

Acknowledgements : The Board of Directors are pleased to take this opportunity to express their deep sense of gratitude for the excellent support and help received from the management of Andhra Bank at various levels.

By the order of the Board,
L. VSATYANARAYANA
Chairman and Managing Director

Place : Hyderabad
Date : 15th May, 1993

M/S. ABRREPOSE FINANCIAL AND TECHNICAL SERVICES LIMITED
BALANCE SHEET AS AT 31ST MARCH 1993

Schedule
No.

Amount
No.

I. SOURCES OF FUNDS:			
1.	Share holders Funds		
	(a) Share Capital		4,69,750
	(b) Reserves & Surplus	1	313
2.	Loan Funds		
	(a) Secured Loans		-
	(b) Unsecured Loans		-
	Total		<u>4,70,063</u>
II. APPLICATION OF FUNDS:			
1.	Fixed Assets	2	
	Gross Block		1,233
	Less: Depreciation		<u>234</u>
2.	Current Assets, Loans & Advances:		999
	A. Current Assets:		
	Cash & Bank Balances	3	2,93,949
	Other Current Assets	4	32,397
	B. Loans & Advances:	5	1,42,013
	Less: Current Liabilities & Provisions	6	<u>4,69,358</u>
			20,305
			<u>4,49,053</u>
3.	Miscellaneous Expenditure to the extent not written off/adjusted Preliminary Expenses		21,010
	Notes on Accounts	7	<u>4,70,063</u>

As per our Report of even date

For and on behalf of Board of Directors

FOR K. S. RAMESH & COMPANY
Chartered Accountants

L. V. SATYANARAYANA
Chairman

K. S. RAMESH
Proprietor

Place : Hyderabad
Date : 15th May, 1993

M/S. ABRREPOSE FINANCIAL & TECHNICAL SERVICES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.3.1993

Rs.

INCOME:			
	Interest Earned		43,796
	Commission on Bank Guarantee		250
			<u>44,046</u>
EXPENDITURE:			
	Establishment Expenses		11,822
	Directors Sitting Fees		2,100
	Printing & Stationery		9,064
	Postage & Stamps		2,661
	Advertisement		8,500
	Traveling & Conveyance		2,759
	Audit Fees		1,200
	Interest and Commission		586
	Miscellaneous Expenses		2,472
	Depreciation		234
	Preliminary Expenses Written off		2,335
	Profit carried to Balance Sheet		<u>43,733</u>
			313

M/S. ABBROSE FINANCIAL AND TECHNICAL SERVICES LIMITED
SCHEDULES TO THE BALANCE SHEET

SCHEDULE - 1
Share Capital : Rs.

Authorised Capital : 25,00,000
2,50,000 Equity Shares of Rs. 10/- Each
Issued & Subscribed 9,38,000
93,800 Equity Shares of Rs. 10/- each
Called and Paid up 9,38,000
93,800 Equity Shares of Rs. 10/- each
Rs. 5/- paid per share 4,69,000
Share Application money 750

SCHEDULE - 2
Fixed Assets : Rs.

	Gross Block Rs.	Depreciation Rs.	Net Block Rs.
Furniture	1,213	234	979
Literary	20	--	20
	<u>1,233</u>	<u>234</u>	<u>999</u>

SCHEDULE - 3
Cash & Bank Balances : 2,90,000

Fixed Deposits with Scheduled Banks 3,949
Interest Accrued on the above 2,93,949

SCHEDULE - 4
Other Current Assets : 32,397

Stationery on hand

SCHEDULE - 5
Loans & Advances : 1,04,195

Secured Loans 37,818
Unsecured Loans 1,42,013

SCHEDULE - 6
Current Liabilities & Provisions : Rs. 3,805

Current Account with Scheduled Banks 16,500
Other Liabilities 20,205

SCHEDULE - 7

Notes on Accounts and Accounting Policies :

- A. Notes on Accounts :
 1. The Company had commenced its business on 1.6.92 and the figures given in the Profit & Loss Account are for the period from 1.6.92 to 31.3.93.
 2. Depreciation has been provided under written down value method at the rates prescribed in Schedule XIV of the Companies Act, 1956.
 3. Contingent liabilities not provided for customers liability for Acceptances (Bank guarantee) Rs. 50,000.
 4. Estimated amount of contracts remaining to be executed on capital account and not provided for - NIL.
 5. This being the first year of operations of the company, no previous year figures have been given.
 6. No. of Employees who were in receipt of remuneration aggregating to Rs. 1,44,000 or more per annum or Rs. 12,000 per month, if employed for a part of the year - NIL.
- B. Significant Accounting Policies :
 1. General :
The accompanying financial statements have been prepared under the historical cost basis and in accordance with the normally accepted accounting standards.
 2. Fixed Assets :
Fixed Assets are valued at cost inclusive of freight, duties, taxes etc.
 3. Depreciation is provided for on written down value method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

AUDITOR'S REPORT

To
The Members of

Abrepose Financial and Technical Services Limited.

We have audited the attached Balance Sheet of M/s. Abrepose Financial and Technical Services Limited as at 31st March 1993 and the profit and loss account for the period ended on that date annexed hereto and report that :

1. As required by the manufacturing and other companies (Auditor's report) order 1988 issued by the company law board in terms of section 227 (6A) of the Companies Act, 1956, we enclose in the annexure a statement of the matters specified in the paragraph 4 of the said order.
2. Further to our comments in the Annexure referred to in paragraph (1) above.
3. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
4. In our opinion, proper books of account, as required by law have been maintained by the Company so far as it appears from our examination of such books.
5. The balance sheet and the profit and loss account referred to in the report are in agreement with the books of account.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.
7. In the case of Balance Sheet the state of affairs of the company as at 31st March, 1993.
8. In the case of profit and loss account, of the profit for the period ended on that date.

For K.S.RAMESH & CO,
Chartered Accountants
K.S.RAMESH
Proprietor

ANNEXURE TO THE AUDITORS REPORT (REFERRED TO THE PARAGRAPH 1 OF OUR REPORT OF EVEN DATE)

- i) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets and the same have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- ii) None of the fixed assets have been revealed during the year.
- iii) The Company has not taken any loans, secured or unsecured, from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and/or from the Companies under the same management as defined under Section 370(1B) of the Companies Act, 1956.
- iv) The company has not granted any loans secured or unsecured to companies firms or other parties that are to be listed in the register maintained under section 301 of the Companies Act, 1956 and the provisions of section 370 (1B) of the Companies Act (1 of 1956) are not applicable to the company.
- v) The company has given loans to various parties during the year and they are repaying the principal amounts as stipulated and are regular in payment of the interest.
- vi) There is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of plant and machinery equipment and other assets.
- vii) No transactions of purchase of goods and materials and sale of goods, materials and services have been made by the company in pursuance of contracts or arrangements that are to be entered in the register maintained under section 301 of the Companies Act, 1956 (1 of 1956) and aggregating to Rs. 50,000/- or more in respect of each party during the year.
- viii) The company has not accepted any deposits from the public.
- ix) According to the explanations given to us, the provisions of the Provident Fund Act, 1925 and Employees State Insurance Act, are not yet applicable to the Company.
- x) According to the information and explanations given to us, and from the examination of records and in our opinion, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty which have remained outstanding as at 31st March, 1993 for a period of more than six months from the date they became payable exist.
- xi) According to the information and explanations given to us and from the examination of records, in our opinion, no personal expenses have been charged to revenue account.
- xii) As per the information and explanations given to us and in our opinion the company is not a sick industrial company within the meaning of clause (b) of subsection (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act 1985.
- xiii) The provisions of paragraphs 4(A) (ii), (iv), (v), (vi), (vii), (viii), (xii) and (xiii) are not applicable to the company.
2. The provisions of paragraphs 4(B) (i) to (iv) are not applicable to the company since the company did not undertake any services during the year.
3. i) The Company has maintained adequate documents and records in respect of loans and advances granted on the basis of security by way of pledge of shares, debentures and other securities.
- ii) The provisions of paragraphs 4(D) (iii), (iv) are not applicable to the company.

Place: Secunderabad
Date: 15th May, 1993

for K.S. RAMESH & COMPANY
Chartered Accountants
K.S. Ramooh
Proprietor

PROXY

I/we.....of
.....being a member(s)

of ABREPOSE FINANCIAL & TECHNICAL SERVICES LIMITED.

hereby appoint.....

of.....

as my/our proxy to vote for me/us and on my/our behalf at the First Annual General Meeting of the Company to be held on Monday, 14th June, 1993 at 10-00 a.m. and at any adjournment thereof.

As witness my/our hand(s) this.....

day of..... 1993

Signed by the said.....

Affix
30 paise
Revenue
Stamp

PRINTED MATTER
BOOK - POST

**FIRST ANNUAL GENERAL MEETING
NOTICE**

To

From :
**ABREPOSE FINANCIAL &
TECHNICAL SERVICES LTD.,**
Regd. Office Plot No. 76
Prasanthnagar Colony,
Malakpet, Hyderabad-500 036.