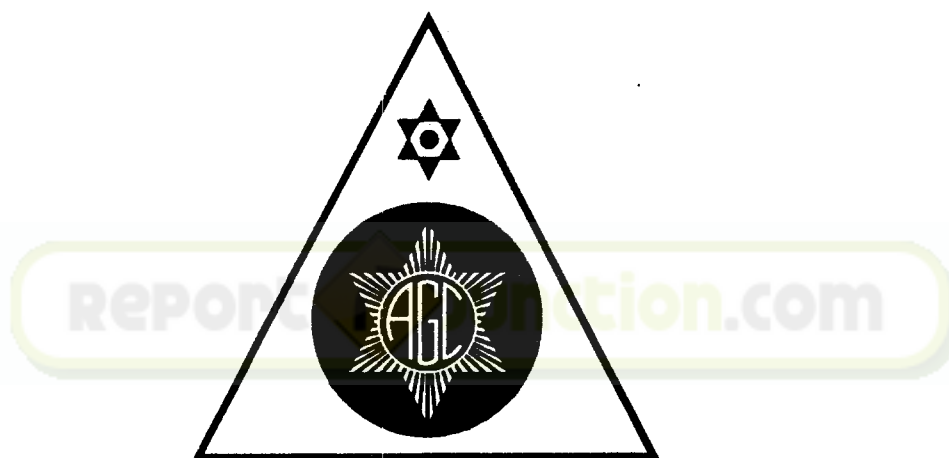
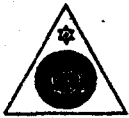


ALAGENDRAN FINANCE LTD.



11th Annual Report 1999-2000



ALAGENDRAN FINANCE LTD.

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Board of Directors

Sri. R.Alagendran
(Managing Director)
Sri. R.Baskaran
Sri. R.Deivendran
Sri. R.Durairaj
Sri. P.Sivashunmugam
Sri. S.Balachander
Sri. K.Natarajan

Auditors

M/s Ponraj & Co.,
Chartered Accountants
Chennai - 600 002.

Bankers

Bank of Madura Ltd.
City Union Bank Ltd.

Regd.Office

64A, Dr.Nanjappa Road,
Coimbatore - 641 018.

Corporate Office

1st Floor,
186, North veli Street,
Madurai - 625 001

Branches

Madurai, Coimbatore,
Sivakasi, Chennai, Salem.



ALAGENDRAN FINANCE LTD.

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Eleventh Annual General Meeting of the members of the Company will be held at Manipriya Kalyana Mandapam, No.21-C, Periyar Ramasamy Street, P.N.Pudur, Coimbatore - 641 041 on Friday, the 29th September 2000 at 9.00 A.M. to transact the following business.

AGENDA

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2000 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. a) To appoint a Director in the place of Shri. R. Baskaran who retires by rotation and being eligible offers himself for re-appointment.
b) To appoint a Director in the place of Shri. S. Balachander who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and fix their remuneration. The retiring auditors M/s. Ponraj & Co., Chartered Accountants, Chennai are eligible for re-appointment.

Place : Madurai
Date : 31st July, 2000

By Order of the Board

R. ALAGENDRAN
Managing Director

Note:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The Proxy form duly completed and signed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting. Proxies once issued will hold good for any adjournment of this meeting.
2. The Register of members and share transfer books of the company will remain closed from 16th September, 2000 to 29th September, 2000 (both days inclusive).
3. Members are requested to notify change of address, if any, to the Company immediately.
4. Unclaimed Dividend upto the financial year 1994-95 have been transferred to the General Revenue Account of the Central Government as required under the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978. Shareholders who have not encashed the dividend warrants for the said period are requested to make an application to the Registrar of Companies, Bank of Baroda Building, 5th Floor (Eastern Wing), 82, Bank Road, Coimbatore - 641 018 in Form II prescribed under the aforesaid rules.
5. As per amendment to Section 205A of the Companies Act, 1956, the unclaimed dividend for the financial year 1995-96 is due for transfer to the Investor Education and Protection Fund established by the Central Government on 09.11.2003. The shareholders who have not encashed their dividend warrants may approach the company for revalidating the warrants or for obtaining duplicate warrants.
6. If you are attending the Annual General Meeting in person, please bring the printed attendance slip sent to you along with the Balance Sheet.
7. Members/proxies are requested to bring their copies of the Annual Report to the meeting.

MEMBERS MAY PLEASE EXCUSE OUR INABILITY TO OFFER ANY GIFT

**ALAGENDRAN FINANCE LTD.**

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DIRECTORS' REPORT

Your Directors have great pleasure in submitting the Eleventh Annual Report with audited accounts for the year ended 31st March, 2000.

FINANCIAL RESULTS :

	<u>1999-2000</u>	<u>1998-1999</u>
	(Rs. in lakhs)	
Profit before interest, depreciation, Tax, Bad Debts & Provision for Non Performing Assets	192.87	332.39
LESS: Interest	126.48	159.54
LESS: Depreciation	58.20	109.38
Profit before Tax, Bad Debts & Provision for Non Performing assets	8.19	63.47
LESS: Provision for Interest Tax	2.08	2.78
Provision for Income Tax	---	4.58
Bad debts Written Off	11.69	0.38
Provision for Non Performing assets	64.81	41.71
Profit/(Loss) after tax	(70.39)	14.02
ADD: Balance brought forward from previous year	40.29	56.77
Profit available for appropriation / (Loss) carried to Balance Sheet	(30.10)	70.79
APPROPRIATION		
Transfer to Special Reserve Fund (As per RBI Act)	---	3.00
Proposed Dividend	---	25.00
Corporate Dividend Tax	---	2.50
Balance Carried to Balance Sheet / (Adjusted in General Reserve)	(30.10)	40.29
TOTAL	(30.10)	70.79

DEPOSITS :

Public deposits increased by 13% from Rs.701.49 lakhs to 789.82 lakhs, as on March 31, 2000. Deposits totalling to Rs.21.41 lakhs matured for payment and were due to be claimed or renewed. Of these 930 deposits amounting to Rs.13.37 lakhs are still unclaimed as on date.

ADVANCES :

The total disbursements under Hire purchase, Lease and other business contracts stood at the level of Rs.748 lakhs as on March 31, 2000, as against Rs.781 lakhs last year showing a decrease of 4% over last year.

MONEY CHANGING BUSINESS :

During the year your Company has earned an income of Rs.15.18 lakhs from the money changing business at Chennai, Madurai and Coimbatore. Your company has started money changing operations at Sivakasi and Salem with the approval of the Reserve Bank of India.

**PLASTIC DIVISION :**

Your Company has started trading activities in plastic raw materials at Salem and incurred a loss of Rs.88,715/-. Since then, the Company changed its strategy by continuing the trading only on commission basis which will not result in loss.

MANAGING DIRECTOR'S REMUNERATION :

The Managing Director has not received any remuneration during the current year.

PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 217 (2A) OF THE COMPANIES ACT, 1956.

None of the employees fall within the purview of the above Section and the Rules framed thereunder.

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

Parts A,B and C of the above rules do not apply to this company.

DIRECTORS :

Your Directors Messrs.R.Baskaran and S.Balachander retire by rotation. Being eligible, they offer themselves for re-appointment.

AUDITORS:

M/s. Ponraj & Co., Chartered Accountants, retire at this Annual General Meeting and are eligible for re-appointment.

With reference to the observation of Auditors regarding provisions under Prudential Norms required under Reserve Bank Directions, 1998, the note No.9 of Notes on accounts is self explanatory.

ACKNOWLEDGEMENT:

Your Directors thank the Bankers, Shareholders and Customers for their continued support and co-operation to the Company. Your Directors also appreciate the employees of the Company for their good work.

On behalf of the Board of Directors

Place: Madurai

Date : 29th June, 2000

R. ALAGENDRAN

Chairman



REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the attached Balance Sheet of **ALAGENDRAN FINANCE LTD.** as at March 31, 2000 and the Profit and Loss account for the year 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 Central Government under Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the said order.

2. Further to our comments in the Annexure referred to in paragraph 1 above, we state that;

- a. 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.
- b. In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examinations of such books.
- c. The Balance Sheet and Profit and Loss account referred to in this report are in agreement with the books of accounts and complies with the Accounting Standards referred to in Sub Section (3C) of Section 211 of the Companies Act to the extent applicable thereon.
- d. In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with notes thereon and subject to Note No.9 regarding provisions as per Prudential Norms issued by the Reserve Bank of India, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
 - (i) In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at March 31, 2000.

and

 - (ii) In so far as it relates to the Profit and Loss account, of the losses of the Company for the year ended on that date.

For **PONRAJ & CO**
Chartered Accountants

Place : Madurai
Date : 29th June, 2000

S. PONRAJ
Partner