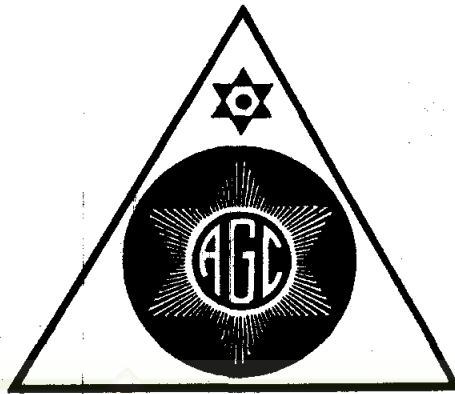


ALAGENDRAN FINANCE LTD.



Report  junction.com

12th Annual Report 2000 - 2001



ALAGENDRAN FINANCE LTD.

Board of Directors

Sri. R.Alagendran
(Managing Director)
Sri. R.Baskaran
Sri. R.Deivendran
Sri. R.Durairaj
Sri. P.Sivashunmugam
Sri. Rathina Asohan
Sri. K.Natarajan

Auditors

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

Bankers

ICICI Bank Ltd.,
City Union Bank Ltd.,

Regd.Office

439-C, Lawrence Complex,
Cross Cut Road,
Gandhipuram,
Coimbatore - 641 012.

Tel : 0422 - 232485

Fax : 0422 - 230643

Corporate Office

186, North Veli Street,
Madurai - 625 001.
Tel : 0452 - 750330, 742100
Fax : 0452 - 750391
e-mail : aflmdu@eth.net

Branches

Madurai, Coimbatore,
Sivakasi, Chennai and Salem.



ALAGENDRAN FINANCE LTD.

1

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twelfth Annual General Meeting of the members of the Company will be held at Srinivasaperumal Sri Raju Naidu Kalyana Mandapam, 208, 100 Feet Road, Tatabad, Coimbatore - 641 012 on Friday, the 28th September 2001 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, 2001 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.Deivendran who retires by rotation and being eligible offers himself for re-appointment.
b) To appoint a Director in the place of Shri R.Durairaj 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.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION.
"RESOLVED that Sri.Rathina Asohan be and is hereby appointed as a Director liable to retire by rotation of the company"

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

ITEM 5 : Mr.Rathina Asohan was appointed on 29th June 2001 as an Additional Director of the Company. In terms of Article 9(i) of the Articles of Association of the company and in accordance with Provisions of Section 260 of the Companies Act, 1956 he will hold office only upto the ensuing Annual General meeting of the company. A notice in writing along with a deposit of Rs.500/- has been received from a member as per Section 257 of the Companies Act, 1956 signifying his intention to propose Mr.Rathina Asohan as a candidate for the office of Director. Mr.Rathina Asohan is a well experienced advocate. His continuance on the Board will be in the best interest of the company.

By order of the Board

Place : Madurai

Date : 31st July, 2001

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 18th September, 2001 to 28th September, 2001 (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, Stock Exchange Building, Trichy Road, Coimbatore - 641 005 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.

2

DIRECTORS' REPORT

Your Directors have great pleasure in submitting the Twelfth Annual Report with audited accounts for the year ended 31st March, 2001.

FINANCIAL RESULTS :

	2000-2001	1999-2000
	(Rs. in lakhs)	
Profit before interest, depreciation, Tax, Bad Debts & Provision for Non-Performing assets	194.53	192.87
LESS : Interest	118.52	126.48
LESS : Depreciation	20.36	58.20
Profit before Tax, Bad Debts & Provision for Non-Performing assets	55.65	8.19
LESS : Provision for Interest Tax	—	2.08
Bad Debts Written Off	23.91	11.69
Provision for Non Performing assets	131.04	64.81
Profit/(Loss) after tax	(99.30)	(70.39)
ADD : Balance brought forward from previous year	—	40.29
LOSS CARRIED TO BALANCE SHEET	(99.30)	(30.10)

DEPOSITS :

Public deposits decreased to Rs.704.93 lakhs from Rs.789.82 lakhs, as on March 31, 2001. Deposits totalling to Rs.16.00 lakhs matured for payment and were due to be claimed or renewed. Of these 776 deposits amounting to Rs.12.05 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.645.21 lakhs as on March 31, 2001, as against Rs.699.10 lakhs last year showing a decrease of 8% over last year.

MONEY CHANGING BUSINESS :

During the year your Company has earned an income of Rs.14.21 lakhs from the money changing business at Chennai, Madurai, Coimbatore, Sivakasi and Salem.

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.



ALAGENDRAN FINANCE LTD.

3

DIRECTORS :

Your Directors Messrs.R.Deivendran and R.Durairaj retire by rotation. Being eligible, they offer themselves for re-appointment.

Mr.S.Balachander vacated the office under Section 283(1) (g) of the Companies Act, 1956. Your Directors place on record the valuable advice and guidance rendered by Mr.S.Balachander to the Company during his tenure of office as Director. Mr.Rathina Asohan was appointed on 29th June, 2001 as an Additional Director of the Company. In terms of Article 9(i) of the Articles of Association of the Company and in accordance with provisions of section 260 of the Companies Act, 1956, he will hold office only upto the ensuing Annual General Meeting of the Company. A notice in writing along with a deposit of Rs.500/- has been received from a member as per Section 257 of the Companies Act, 1956 signifying his intention to propose Mr.Rathina Asohan as a candidate for the office of Director.

RESPONSIBILITY STATEMENT :

Pursuant to the provisions of section 217(2AA) of the Companies Act, 1956, the Directors confirmed that;

- a) in the preparation of the annual accounts for the year ended March 31, 2001, applicable accounting standards have been followed with no material departure;
- b) your Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2001 and of Losses for the year ended on that date;
- c) your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and
- d) the accounts for the year ended March 31, 2001 have been prepared on a going concern basis.

AUDIT COMMITTEE :

The Audit Committee consisting of Messrs Sri.R.Alagendran, Sri.R.Durairaj and Sri.Rathina Asohan have been constituted under Section 292A of the Companies Act, 1956.

AUDITORS :

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

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, 2001

R.ALAGENDRAN
CHAIRMAN

**ALAGENDRAN FINANCE LTD.**

4

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the attached Balance Sheet of **ALAGENDRAN FINANCE LTD.** as at March 31, 2001 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. Based on representations made by all the Directors of the company and the information and explanations given to us, none of the Directors are disqualified from being appointed as Directors in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
 - e. 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.8 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, 2001.
 - 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, 2001

S. Ponraj
Partner

**ANNEXURE TO AUDITORS REPORT**

Annexure referred to in para 1 of the report of even date of the Auditors to the members of Alagendran Finance Ltd. on the accounts for the year ended March 31, 2001.

1. The Company has maintained a fixed assets register showing full particulars including quantitative details and situation of fixed assets. As per the explanations given to us the Company has conducted a physical verification of fixed assets during the year and no material discrepancies were noticed on verification.
2. The Company has not revalued the fixed assets during the year.
3. Physical verification of finished goods, etc., does not arise.
4. The Company has not taken any loans from Companies, firms or other parties listed in the registers maintained under section 301 which are prima facie prejudicial to the interest of the Company.
5. The Company has not granted any loans to the companies, firms or other parties listed in the registers maintained under Section 301 which are prima facie prejudicial to the interest of the Company.
6. In respect of advances in the nature of loans given by the Company the amounts are generally being repaid as stipulated except in a few cases.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of plant and machinery, equipment and other assets and with regard to the lease of such goods.
8. In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act and aggregating during the year to Rs. 50,000/- or more in respect of each party have been made at prices which are reasonable having regard to prevailing market prices for such goods and materials or the prices at which transactions for similar goods and materials have been made with other parties.
9. The determination of unserviceable or damaged stores does not arise.
10. The Company has accepted deposits from the public under Section 58A of the Companies Act, 1956 and as per the explanations given to us the Company has complied with the provisions of Section 58A of the Companies Act and the rules framed thereunder, and the directions of the Reserve Bank of India.
11. The Company does not generate any scrap or bye product.
12. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
13. Section 209(1) (d) of the Companies Act regarding cost records are not applicable to this Company.
14. As per the records of the Company, Employees Provident Funds and ESI dues for the year under review have been deposited regularly.
15. According to the information and explanations given to us, no undisputed amounts payable in respect of the Income Tax and Sales Tax were outstanding as at March 31, 2001 for a period of more than six months from the time they become payable.
16. According to the information and explanations given to us, no personal expenses of employees or Directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
17. The Company is not a Sick Industrial Company within the meaning of Clause (O) of sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
18. In our opinion adequate documents and records are maintained by the Company for loans and advances granted on the basis of Security by way of pledge of shares and debentures and other similar securities.
19. The Company is dealing in shares, securities, debentures and other investments and have maintained proper records. Such shares and securities are held in the name of the Company.

For **PONRAJ & CO**
CHARTERED ACCOUNTANTS

Place : Madurai
Date : 29th June, 2001

S. Ponraj
Partner