

9th Annual Report



INDO ASIAN FINANCE LTD

**INDO ASIAN FINANCE LTD**

BOARD OF DIRECTORS

Prof. A.V.K. IYENGAR
M.Sc., A.M.I.I.E., F.I.M.A.
P.B. RAMANUJAM, M.A., B.L.
R.J. JAYANTHILAL
M. KISHANCHAND
ANAND CHALLANI
M. PRAKASHCHAND JAIN, M.M.S.
Joint Managing Director
PADAM J. CHALLANI
Managing Director

BANKERS

Punjab & Sind Bank
Allahabad Bank
Indian Bank
Canara Bank
State Bank of India
Bank of Baroda
Bank of India

AUDITORS

VISWA BALA ASSOCIATES
Chartered Accountants
Chennai - 600 003.

REGISTERED OFFICE

3/2, New Gili Road
Off G.N.Chetty Road
(Next to Apollo Pharmacy)
T.Nagar, Chennai - 600 017
Tel : 8230002 Fax : 8240459



INDO ASIAN FINANCE LTD

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Ninth Annual General Meeting of the Members of INDO ASIAN FINANCE LIMITED will be held on Wednesday, the 30th June, 1999 at BALA MANDIR GERMAN HALL, No.17, Prakasam Street, (Off.Habibullah Road End), T.Nagar, Chennai 600 017, at 10.00 A.M. to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as on 31st March, 1999 and the Profit and Loss Account for the year ended on that date and the reports of the Directors and the Auditors thereon.
2. To declare the dividend for the year ended 31st March, 1999.
3. To appoint a Director in the place of **SHRI ANAND CHALLANI** who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint a Director in the place of **SHRI R.J. JAYANTHILAL** who retires by rotation, and being eligible, offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting on a remuneration to be decided by the Board of Directors.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution.

ORDINARY RESOLUTION 1

"RESOLVED that the resignation of Shri M. Prakashchand Jain as Whole-time Director be and is hereby accepted with effect from 30th January 1999.

RESOLVED FURTHER THAT pursuant to the Provisions of Sections 198, 269, 309 and other applicable provisions of the Companies Act 1956, if any, and subject to such sanctions and approvals as may be necessary, the Company be and is hereby approves the payment of the remuneration and perquisites and appointment of Shri M. Prakashchand Jain as Joint Managing Director of the Company for a period of 5 years with effect from 30th January 1999, with liberty to either party to terminate the appointment on three months notice in writing to the other, within the following terms as to remuneration and perquisites as set out hereafter and with further liberty to Directors from time to time to alter the said terms in such manner as may be agreed between the Directors and Shri M. Prakashchand Jain in the best interests of the Company within the limitations in that behalf as contained in Schedule XIII to the said Act viz :

- a. SALARY : Rs. 50,000/- per month
- b. PERQUISITES : These shall be restricted to an amount equal to the annual salary or Rs. 3,00,000/- whichever is less. Unless the context otherwise requires, perquisites are classified into three Categories 'A' 'B' and 'C' as follows :



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CATEGORY 'A'

I. HOUSING

- a. In case of unfurnished accommodation, hired by the Company and provided to the Joint Managing Director, such expenditure is not to exceed 60% of the salary over and above 10% payable by the Joint Managing Director.
- b. In case the Joint Managing Director is provided accommodation owned by the Company, 10% of the salary of the Joint Managing Director shall be deducted by the Company from the salary.
- c. In case no accommodation is provided by the Company, the Joint Managing Director shall be entitled to a house rent allowance subject to the ceiling laid down in (a) above.
 - (i) The expenditure incurred by the Company on gas, electricity, water and furnishings made available to the Joint Managing Director shall be valued as per the Income Tax Rules 1952, subject to a ceiling of 10% of the salary of the Joint Managing Director.
 - (ii) Medical Reimbursement : Reimbursement of expenses incurred by the Joint Managing Director for self and family.
 - (iii) Leave Travel Concession : Leave Travel Concession for the Joint Managing Director and his family, once in a year incurred in accordance with the rules of the Company.
 - (iv) Personal Accident Insurance : Personal Accident Insurance of an amount, the annual premium of which does not exceed Rs. 2,000/-
 - (v) Club Fees : Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

CATEGORY 'B'

- i. Provident Fund : Company's contribution towards Provident Fund, subject to a ceiling of 10% of the salary.
- ii. Pension/Superannuation : Benefits in accordance with the rules and regulations in force of the Company from time to time.
- iii. Gratuity : Benefits in accordance with the rules and regulations in force of the Company from time to time, but shall not exceed 15 days salary for each completed year of service.

CATEGORY 'C'

- i. Car : Provision of Company's car for both official and personal purposes of the Joint Managing Director.
- ii. Telephone : Provision of telephone at his residence, personal long distance calls on telephone shall be billed by the Company to the Joint Managing Director.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay to Shri M. Prakashchand Jain remuneration by way of salary and perquisites not exceeding the ceiling laid down in Section II of Part II of Schedule XIII of the Companies Act, 1956, as may be decided by the Board of Directors.



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RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to enhance, enlarge, alter or vary the scope and quantum of remuneration and perquisites of Shri M. Prakashchand Jain, Joint Managing Director in the light of the future progress of the Company which revision should be in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made thereunder and/or such guidelines as may be announced by the Central Government from time to time".

ORDINARY RESOLUTION 2

"RESOLVED THAT in accordance with the provisions of Sections 198 & 309 and other applicable provisions of the Companies Act, 1956, subject to the limits specified in Schedule XIII of the said Act and subject to the approval of the Central Government, if required, the Company be and is hereby approves and consents to the payment of following remuneration and perquisites to Shri Anand Challani as Whole-time Director with effect from 1.7.99 for a period of five years as mentioned below :

- a. SALARY : Rs. 50,000/- per month
- b. PERQUISITES : These shall be restricted to an amount equal to the annual salary or Rs. 3,00,000/- whichever is less. Unless the context otherwise requires, perquisites are classified into three Categories 'A' 'B' and 'C' as follows :

CATEGORY 'A'

- i. HOUSING
 - a. In case of unfurnished accommodation, hired by the Company and provided to the Whole-time Director, such expenditure is not to exceed 60% of the salary over and above 10% payable by the Whole-time Director.
 - b. In case the Whole-time Director is provided accommodation owned by the Company, 10% of the salary of the Whole-time Director shall be deducted by the Company from the salary.
 - c. In case no accommodation is provided by the Company, the Whole-time Director shall be entitled to a house rent allowance subject to the ceiling laid down in (a) above.
 - (i) The expenditure incurred by the Company on gas, electricity, water and furnishings made available to the Whole-time Director shall be valued as per the Income Tax Rules 1952, subject to a ceiling of 10% of the salary of the Whole-time Director.
 - (ii) Medical Reimbursement : Reimbursement of expenses incurred by the Whole-time Director for self and family.
 - (iii) Leave Travel Concession : Leave Travel Concession for the Whole-time Director and his family, once in a year incurred in accordance with the rules of the Company.
 - (iv) Personal Accident Insurance : Personal Accident Insurance of an amount, the annual premium of which does not exceed Rs. 2,000/-
 - (v) Club Fees : Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.



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CATEGORY 'B'

- i. Provident Fund : Company's contribution towards Provident Fund, subject to a ceiling of 10% of the salary.
- ii. Pension/Superannuation : Benefits in accordance with the rules and regulations in force of the Company from time to time.
- iii. Gratuity : Benefits in accordance with the rules and regulations in force of the Company from time to time, but shall not exceed 15 days salary for each completed year of service.

CATEGORY 'C'

- i. Car : Provision of Company's car for both official and personal purposes of the Whole-time Director.
- ii. Telephone : Provision of telephone at his residence, personal long distance calls on telephone shall be billed by the Company to the Whole-time Director.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any Financial year, during the aforesaid period, the Company will pay to Shri Anand Challani remuneration by way of salary and perquisites not exceeding the ceiling laid down in Section II of part II of Schedule XIII of the Companies Act, 1956, as may be decided by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to enhance, enlarge, alter or vary the scope and quantum of remuneration and perquisites of Shri Anand Challani, Whole-time Director in the light of the future progress of the Company which revision should be in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made there under and/or such guidelines as may be announced by the Central Government from time to time.

ORDINARY RESOLUTION 3

RESOLVED FURTHER THAT pursuant to the provisions of Sections 198 & 309 and other applicable provisions of the Companies Act, 1956 and subject to such sanctions and approvals as may be necessary, the Company hereby approves and consents to the payment of following remuneration and perquisites to Shri Padam J Challani as Managing Director with effect from 1.7.99 for a period of five years on a payment of remuneration as mentioned below :

- a. SALARY : Rs. 50,000/- per month
- b. PERQUISITES : These shall be restricted to an amount equal to the annual salary or Rs. 3,00,000/- whichever is less. Unless the context otherwise requires, perquisites are classified into three Categories 'A' 'B' and 'C' as follows :

CATEGORY 'A'

- i. HOUSING
 - a. In case of unfurnished accommodation, hired by the Company and provided to the Managing Director, such expenditure is not to exceed 60% of the salary over and above 10% payable by the Managing Director.



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- b. In case the Managing Director is provided accommodation owned by the Company, 10% of the salary of the Managing Director shall be deducted by the Company from the salary.
- c. In case no accommodation is provided by the Company, the Managing Director shall be entitled to a house rent allowance subject to the ceiling laid down in (a) above.
 - (i) The expenditure incurred by the Company on gas, electricity, water and furnishings made available to the Managing Director shall be valued as per the Income Tax Rules 1952, subject to a ceiling of 10% of the salary of the Managing Director.
 - (ii) Medical Reimbursement : Reimbursement of expenses incurred by the Managing Director for self and family.
 - (iii) Leave Travel Concession : Leave Travel Concession for the Managing Director and his family, once in a year incurred in accordance with the rules of the Company.
 - (iv) Personal Accident Insurance : Personal Accident Insurance of an amount, the annual premium of which does not exceed Rs. 2,000/-
 - (v) Club Fees : Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

CATEGORY 'B'

- i. Provident Fund : Company's contribution towards Provident Fund, subject to a ceiling of 10% of the salary.
- ii. Pension/Superannuation : Benefits in accordance with the rules and regulations in force of the Company from time to time.
- iii. Gratuity : Benefits in accordance with the rules and regulations in force of the Company from time to time, but shall not exceed 15 days salary for each completed year of service.

CATEGORY 'C'

- i. Car : Provision of Company's car for both official and personal purposes of the Managing Director.
- ii. Telephone : Provision of telephone at his residence, personal long distance calls on telephone shall be billed by the Company to the Managing Director.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any Financial year, during the aforesaid period, the Company will pay to Shri Padam J Challani remuneration by way of salary and perquisites not exceeding the ceiling laid down in Section II of part II of Schedule XIII of the Companies Act, 1956, as may be decided by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to enhance, enlarge, alter or vary the scope and quantum of remuneration and perquisites of Shri Padam J Challani, Managing Director in the light of the future progress of the Company which revision should be in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made there under and/or such guidelines as may be announced by the Central Government from time to time.



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ORDINARY RESOLUTION 4

RESOLVED FURTHER THAT pursuant to the provisions of Sections 198 & 309 and other applicable provisions of the Companies Act, 1956 and subject to such sanctions and approvals as may be necessary, the Company hereby approves and consents to the payment of following remuneration and perquisites to Shri R J Jayanthilal as Whole-time Director with effect from 1.7.99 for a period of five years on a payment of remuneration as mentioned below :

- a. SALARY : Rs. 50,000/- per month
- b. PERQUISITES : These shall be restricted to an amount equal to the annual salary or Rs. 3,00,000/- whichever is less. Unless the context otherwise requires, perquisites are classified into three Categories 'A' 'B' and 'C' as follows :

CATEGORY 'A'

i. HOUSING

- a. In case of unfurnished accommodation, hired by the Company and provided to the Whole-time Director, such expenditure is not to exceed 60% of the salary over and above 10% payable by the Whole-time Director.
- b. In case the Whole-time Director is provided accommodation owned by the Company, 10% of the salary of the Whole-time Director shall be deducted by the Company from the salary.
- c. In case no accommodation is provided by the Company, the Whole-time Director shall be entitled to a house rent allowance subject to the ceiling laid down in (a) above.
 - (i) The expenditure incurred by the Company on gas, electricity, water and furnishings made available to the Whole-time Director shall be valued as per the Income Tax Rules 1952, subject to a ceiling of 10% of the salary of the Whole-time Director.
 - (ii) Medical Reimbursement : Reimbursement of expenses incurred by the Whole-time Director for self and family.
 - (iii) Leave Travel Concession : Leave Travel Concession for the Whole-time Director and his family, once in a year incurred in accordance with the rules of the Company.
 - (iv) Personal Accident Insurance : Personal Accident Insurance of an amount, the annual premium of which does not exceed Rs. 2,000/-
 - (v) Club Fees : Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

CATEGORY 'B'

- i. Provident Fund : Company's contribution towards Provident Fund, subject to a ceiling of 10% of the salary.
- ii. Pension/Superannuation : Benefits in accordance with the rules and regulations in force of the Company from time to time.
- iii. Gratuity : Benefits in accordance with the rules and regulations in force of the Company from time to time, but shall not exceed 15 days salary for each completed year of service.