

10th Annual Report

CERTIFIED TRUE COPY

For INDO ASIAN FINANCE LTD.

Managing Director.

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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
R.J. ANANDMUL
M. PRAKASHCHAND JAIN, M.M.S.
Joint Managing Director
PADAM J. CHALLANI
Managing Director

BANKERS

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

AUDITORS

VISWA BALA ASSOCIATES
Chartered Accountants
Chennai - 600 003.

REGISTERED OFFICE

New No.15, New Giri Road
T.Nagar, Chennai - 600 017
Tel : 8230002 Fax : 8240459



INDO ASIAN FINANCE LTD

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Tenth Annual General Meeting of the members of INDO ASIAN FINANCE LIMITED will be held on Wednesday, the 30th August, 2000 at Sri Rajasthan Jain Samaj, Jain Bhavan, 66, Thiyagaraya Road, T.Nagar, Chennai 600 017 at 10 A.M. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as on 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. To declare the dividend for the year ended 31st March, 2000.
3. To appoint a Director in the place of Shri M.Prakashchand Jain who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Shri M.Kishanchand who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in the place of Shri P.B.Ramanujam who retires by rotation, and being eligible, offers himself for re-appointment.
6. 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

7. To consider and if thought fit, to pass with or without modifications, the following Resolution as a Special Resolution.

SPECIAL RESOLUTION

RESOLVED that the Company proposes to enter into Insurance Broking Business under the Insurance Regulatory and Development Authority (Insurance Brokers) regulation 2000 to function as a composite broker or alternatively to take any of the following activities :

1. Direct General Insurance Broker;
2. Direct Life Insurance Broker; and
3. Re-Insurance Broker.

"RESOLVED that pursuant to the provision of Section 372A and other applicable provisions, if any, of the Companies Act 1956, the company be and is hereby authorised to invest in the Equity Share Capital of the new Company proposed to be set up as a wholly owned subsidiary company upto an extent of Rs.125 Lacs.

FURTHER RESOLVED that the Board of Directors of the company be and is hereby authorised to determine the size of the investment, period of investment and to complete all the formalities as may be necessary in this regard.



INDO ASIAN FINANCE LTD

FURTHER RESOLVED that the Board may authorise any of the Directors or Executives to pursue and comply with all the procedures for the formation of the new Company.

Registered Office

New No.15 New Giri Road
T.Nagar, Chennai - 600 017.
24th June, 2000

By Order of the Board
For **INDO ASIAN FINANCE LIMITED**

PADAM J CHALLANI
Managing Director

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.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 23rd August, 2000 to 30th August, 2000 (Both days inclusive).





INDO ASIAN FINANCE LTD

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT 1956 IN RESPECT OF SPECIAL BUSINESS MENTIONED IN THE NOTICE CONVENING THE ANNUAL GENERAL MEETING

The Board of Directors are of the opinion that in the changing scenario of Globalization of finance, investment, banking and insurance sectors and with the arrival of Multinationals into India, it is time that our company also involves itself in the new areas to establish and consolidate its presence more effectively in the areas of Transport finance and other allied activities. With Insurance Broking, the company will enter into new areas of service to the customers which also should bring additional revenue to the organisation.

None of the directors are interested in the above proposal.

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24th June, 2000

By Order of the Board
For **INDO ASIAN FINANCE LIMITED**

PADAM J CHALLANI
Managing Director

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INDO ASIAN FINANCE LTD**DIRECTORS' REPORT**

Your Directors have great pleasure in submitting the Tenth Annual Report with Audited Accounts for the year ended 31st March, 2000.

FINANCIAL RESULTS

	For the year ended	
	31.3.2000	31.3.1999
	(Rupees)	(Rupees)
Profit before Depreciation / L.E.R.	2,67,72,040	2,46,46,573
Add : Excess provision in the earlier years written back	2,74,963	—
Previous Year balance	27,903	30,968
	<u>2,70,74,906</u>	<u>2,46,77,541</u>
Less : Depreciation / L.E.R.	1,75,52,866	1,34,47,806
Profit before Tax	<u>95,22,040</u>	<u>1,12,29,735</u>
Less : Provision for Taxation	10,00,000	15,00,000
Provision for Non Performing Assets	—	4,21,832
	<u>85,22,040</u>	<u>93,07,903</u>
APPROPRIATION		
Transfer to Special Reserve	—	20,00,000
Transfer to General Reserve	35,00,000	20,00,000
Proposed Dividend	45,00,000	48,00,000
Provision for Dividend Tax	4,95,000	4,80,000
Balance carried to Balance Sheet	<u>27,040</u>	<u>27,903</u>
	<u>85,22,040</u>	<u>93,07,903</u>

BUSINESS

Stock on hire as on 31st March, 2000 was Rs.1152.32 lacs as against Rs.1070.76 lacs and lease assets were Rs.665.43 lacs as against Rs.741.99 lacs last year. The company's income from lease business was Rs.219.87 lacs as against Rs.234.78 lacs last year. Finance Charges has increased from Rs.170.56 lacs to Rs.270.82 lacs, the percentage of increase being 53.39%.

RESOURCES**1. Deposits**

The deposits as on 31/03/2000 was Rs.271.66 lacs as against Rs.247.05 lacs as on 31/03/1999 Reserve Bank of India continued to introduce several new guidelines for a better control and transparency over the operations of NBFCs. The new guidelines introduced by Reserve Bank of India has resulted in a great reduction in number of NBFCs which are allowed to take deposits. The RBI guidelines have, in a way, helped for a faster growth of NBFCs on very healthy and sound lines and they have also ensured that NBFCs do not create systemic risks and by adhering to RBI regulations the NBFCs have made themselves responsible for the safety of deposits.

Another important factor in the new RBI guidelines have been that these new regulations are aimed at removing the negative perception surrounding the NBFCs.