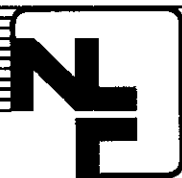


***9th
Annual
Report
1999-2000***



For NALIN LEASE FINANCE LTD.

[Signature]
Managing Director

NALIN LEASE FINANCE LIMITED



NALÍN LEASE FINANCE LIMITED

9TH ANNUAL GENERAL MEETING

Day : Friday
 Date : 22nd September, 2000
 Time : 4.00 P.M.
 Venue : Ground Floor,
 Gandhi Nursing Home Bldg.,
 Dr. Nalinkant Gandhi Road,
 Himmatnagar-383 001.

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NOTES :-

1. All correspondence relating to Shares of the Company may please be addressed to the Company's Registered Office.
2. Members are requested to bring their copy of the Annual Report to the Meeting, as copies of the Report will not be distributed at the Meeting.
3. Members seeking further information about the Accounts and/or Operations of the Company, are requested to send their queries to the Company at its Registered Office atleast TEN days before the date of the Meeting.

BOARD OF DIRECTORS

Mr. Mahendrakumar P. Shah	<i>Chairman</i>
Mr. Dilipkumar Nalinkant Gandhi	<i>Managing Director</i>
Mrs. Nipurnaben Nalinkant Gandhi	<i>Director</i>
Mrs. Pallaviben Dilipkumar Gandhi	<i>Director</i>
Mr. Narendrakumar Dalsukhdas Shah	<i>Director</i>

COMPANY SECRETARY

Mrs. Swatiben parikh
Company Secretary

AUDITORS

M/s. Deepak R. Soni & Co.
Chartered Accountants
 Himmatnagar-383 001.
 Ph. : 42780

BANKERS

Bank of Baroda
 State Bank of India
 Union Bank of India
 The Manekchowk Co-op. Bank Ltd.
 Himmatnagar Nagrik Sahakari Bank Ltd.
 Dena Bank

REGISTERED OFFICE

Ground Floor,
 Gandhi Nursing Home Bldg.,
 Dr. Nalinkant Gandhi Road,
 Himmatnagar-383 001.
 Ph. : 41264, 42264
 Fax : 41264



NOTICE

NOTICE is hereby given that the 9th Annual General Meeting of the members of Nalin Lease Finance Limited will be held on Friday, the 22nd September, 2000 at 4.00 p.m. at Ground Floor, Gandhi Nursing Home Bldg., Dr. Nalinkant Gandhi Road, Himmatnagar-383 001, to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st March, 2000, Profit & Loss Account for the year ended on that date together with the Reports of Board of Directors & Auditors thereon.
2. To appoint a Director in place of Shri Mahendrabhai Prabhulal Shah who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company who shall hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, and to fix their remuneration.

SPECIAL BUSINESS :-

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as a special resolution.

"RESOLVED that pursuant to section 31 and other applicable provisions if any of the companies Act, 1956 the following alterations to the Articles of Association of the company be and the same are hereby approved, namely.

- A. The Definition of "Shareholder or Member" appearing in Article 2(viii) be amended as under :
 - viii. "Shareholder or Member" means every person holding shares of the company and whose name is entered in the Register of members and includes person holding shares of the company and whose name is entered as Beneficial owner in the records of the Depository and also includes subscribers to the Memorandum of Association of the company but does not include a bearer of sharewarrant of the company issued in pursuance of Section 114 of the Act."
- B. The following Definitions be included in Article 2 at appropriate places :
 - xix "Beneficial owner shall mean beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996;
 - xx Depositories Act, 1996 shall include any statutory modification or re-enactment thereof;
 - xxi "Depository" shall mean a Depository as defined under clause (e) of sub section (1) of section 2 of Depositories Act, 1996;
 - xxii "SEBI" means Securities and Exchange Board of India established under Section 8 of the Securities and Exchange Board of India Act, 1992.
 - xxiii "RECORD" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by regulations made by SEBI.
- C. The following proviso be inserted at the end of the existing Article 12 relating to shares to be numbered progressively and no shares to be subdivided.



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"Provided, however that the provision relating to distinctive numbeing shall not apply to the shares of the company which have been dematerialised.

- D. The following Article be inserted as Article 49A after the existing Article 49 under the heading "Dematerialisation of Securities."

49A.

- (1) The provision of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.

- (2) (i) The company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to Depository Act, 1996.

- (ii) Option for investors :-

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the Beneficial Owner of the securities can at any time opt of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities in respect of his holding.

- (iii) Securities in Depositories to be held in fungible form :-

All securities held by a Depository shall be dematerialised and be in fungible form, nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.

- (iv) Rights of Depositories and beneficial owners :-

- (a) Notwithstanding anything contained in these articles, a Depository shall be deemed to be a Registered owner for the purposes of effecting transfer of ownership of securities on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the Registered owner of the Securities shall not have any voting rights or any other rights of the securities, which are held by a depository.
- (c) Every person holding securities of the company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

- (v) Transfer of Securities :-

Nothing contained in Section 108 of the Act or these Articles, shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of the Depository.

- (vi) Allotment of Securities dealt within a depository :-



Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

(vii) Register and Index of beneficial owners:-

Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and security holders for the purpose of these Articles.

E. After Article 58 the following new Article as Article 58A be added under the heading "Nomination"

58A

- (1) Every shareholder or debenture holder of the company, may at any time nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be prescribed under the Act.
- (2) Where the shares or debentures of the company are held by more than one person jointly, joint holders may together nominate a person to whom all rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be prescribed under the Act.
- (3) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares or debentures, the nominee shall on the death of the joint holders become entitled to all the rights in such shares or debentures or, as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be prescribed under the Act.

F. After Article 59 the following new Article as Article no 59 A be added under the heading "Transmission of securities".

59A

- (1) A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-
 - (a) to register himself as holder of the share or debenture, as the case may be; or
 - (b) to make such transfer of the share or debenture, as the deceased shareholder or debenture holder, as the case may be could have made.
- (2) If the nominee elects to be registered as holder of the share or debenture himself, as the case may be, he shall deliver or send to the company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder, as the case may be.
- (3) A nominee shall be entitled to the share dividend and other advantages to which he would be entitled of he were the registered holder of the share or debenture. Provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to meeting of the company.



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Provided further that Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within 90 days, the Board may thereafter withhold the payment of all dividend, Bonuses or other monies payable in respect of the share or debenture, until the requirements of the notice have been complied with.

5. To consider and thought fit to pass with or without modification the following Resolution as a SPECIAL RESOLUTION :

"Resolved that" pursuant to provisions of Sections 198, 269, 309 and schedule XIII of the companies Act, 1956., consent of the members be and is hereby given to the Re- appointment of Shri Dilipkumar Nalinkant Gandhi as Managing Director of the company for the period of five years w.e.f 1-8-2000 on the broads terms and conditions as set out as hereunder:

1. His appointment shall commence from 1-8-2000 and will expire on 31-7-2005.
2. Subject to the superintendence control of the Board of Directors he will have powers of day to day management of the company as may be entrusted by the board of Directors.
3. He will receive a remuneration of Rs.23,000/- per month by way of remuneration in the scale of 20,000-1000-30,000 and perquisites will be provided as under:

PERQUISITES:

Perquisites shall be restricted to an annual amount equal to the annual salary.

CATEGORY A :-

1. House Rent allowance at the rate of 25% of salary per month.
2. The Expenditure incurred on Gas, Electricity, water and furnishings shall may be paid by the company shall not be exceeding 10% of the salary.
3. The reimbursement of the medical expenses of self and his family subject to the ceiling of one month's salary in a year or three months salary over a period of three years.
4. Leave Travel concession for self and family once in a year a per the rules specified by the company.
5. Fees of club and other admission and life membership fee, maximum of two clubs.
6. Personal accident insurance premium not to excess Rs. 4000/- per annum.

CATEGORY B:-

1. Contribution to the provident fund, super annuation fund, Annuity Fund as per the rules of the company.
2. Gratuity not exceeding half a month salary for each completed year of service subject to a ceiling of Rs.100,000/-.

CATEGORY C:-

1. A car with chauffer will be provided for the companies business
2. Telephone facility shall be provided at residence.