

FIFTEENTH ANNUAL REPORT

for the period ended
30th September, 2000



UPASANA FINANCE LIMITED

UPASANA FINANCE LIMITED

BOARD OF DIRECTORS

Sri Suresh Krishna
Chairman

Mrs Usha Krishna
Managing Director

Sri S L Narayanan

Sri K R Krishnaswamy

Sri R Ramakrishnan

Dr V Raghunathan

Sri S Ramakrishnan

PRESIDENT

MANAGER - FINANCE & SECRETARY BANKERS

Sri R Krishnan

STATE BANK OF INDIA

STATE BANK OF MYSORE

STATE BANK OF HYDERABAD

STATE BANK OF SAURASHTRA

ANZ GRINDLAYS BANK, PLC

THE FEDERAL BANK LIMITED

THE KARUR VYSYA BANK LIMITED

THE SOUTH INDIAN BANK LIMITED

CENTRAL BANK OF INDIA

IDBI BANK LIMITED

ALLAHABAD BANK

INDIAN OVERSEAS BANK

AUDITORS

M/s. SUNDARAM & SRINIVASAN

Chartered Accountants

23, C P Ramasamy Road

Chennai - 600 018

REGISTERED OFFICE

98-A. Dr. Radhakrishnan Salai,
Auras Corporate Centre,
IIIrd Floor,
Mylapore, Chennai - 600 004.

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the FIFTEENTH ANNUAL GENERAL MEETING of the shareholders of the company will be held at the Rani Seethai Hall, 603, Anna Salai, Chennai 600 006 on Wednesday the 27th December, 2000 at 10.00 a.m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 30th September, 2000, the Profit and Loss Account for the period ended on the date and the Reports of the Directors and the Auditors of the Company.
2. To appoint Sri R Ramakrishnan, Director who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Sri. S.L. Narayanan, Director who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to authorise the Board to fix their remuneration.

By Order of the Board

Chennai,
November 24, 2000

R KRISHNAN
Manager - Finance & Secretary



NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. The instrument appointing proxy should be deposited at the Registered office of the Company at least 48 hours before the commencement of the meeting.
3. Members desiring any information as regards Accounts are requested to write to the Company atleast seven days before the meeting so as to enable the Management to keep the information ready.
4. Please bring the Attendance Slip duly filled in and hand it over at the entrance of the meeting hall.
5. As required under the Companies Unpaid Dividend (Transfer to General Account of the Central Government) (Amendment) Rules, 1988, the unpaid/unclaimed dividend for the financial year ended 31st March, 1995 was transferred to the General Revenue Account of the Central Government.

Shareholders who have not encashed the Dividend warrants for the said year are requested to claim the amount from The Registrar of Companies (Tamilnadu), Shastri Bhavan, Block No. 6, IInd Floor, 26, Haddows Road, Chennai - 600 006.

Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividend remaining unclaimed and/or unpaid for a period of seven years will be transferred to the Investor Education and Protection Fund of the Central Government.

Members who have not encashed the dividend warrants(s) so far the financial year ended 31st March 1996 or any subsequent financial years are requested to make their claim to the Company.

6. The Register of Members and the Share Transfer Books of the Company will remain closed from 16th December, 2000 to 27th December, 2000.
7. The Equity Shares of the Company are listed with following Stock Exchanges :

Madras Stock Exchange Limited	The Stock Exchange, Mumbai
Exchange Building	Phiorze Jeejeebhoy Towers
11, Second Line Beach	Dalal Street
Chennai 600 001.	Mumbai 400 001.

The listing fees for the year 2000-2001 have been paid to the above Stock Exchanges.

DIRECTORS' REPORT TO THE SHARE HOLDERS

The Directors present you with the **Fifteenth Annual Report** with the audited accounts for the period ended 30th September 2000.

1. The Accounting Year of the Company was extended from a period of 12 months ending on 31st March 2000 to a period of 18 months ending on 30th September 2000 after obtaining necessary approval from the Registrar of Companies, Chennai.

2. **FINANCIAL RESULTS :**

	1999-2000 (18 Months) (Rs in Lakhs)	1998-99 (12 Months) (Rs in Lakhs)
Profit before Interest & Depreciation	1286.65	1148.01
Less : a) Interest	714.33	1159.55
b) Depreciation	204.91	231.23
c) Special Depreciation Reserve	(25.09)	35.30
d) Reserve for Bad & Doubtful debts and stock in trade	751.91	54.99
Profit before Tax	(359.41)	(333.06)
Less : Interest tax for the year	3.64	6.12
Profit after Tax	(363.05)	(339.18)
Add : Balance brought forward	(369.44)	9.37
Amount available for appropriation	(732.49)	(329.81)
Less : Appropriations :		
Income tax relating to previous years	—	43.02
Dividend - Preference Shares	—	9.28
Provision for Dividend Tax	—	0.93
Transfer to General Reserve	—	(13.60)
Balance carried forward	(732.49)	(369.44)
	(732.49)	(329.81)

3. **DIVIDEND :**

In view of the losses, the Directors are unable to recommend any dividend on equity shares for the period ended 30th September, 2000.

4. BUSINESS :

During the period under review your Company concentrated on Recovery of Overdues. No significant fresh business was done by the Company during the period under review.

5. RESOURCES :

a) Deposits :

The amount of Deposits has substantially decreased to Rs. 544.43 lakhs as at 30th September, 2000 as against Rs. 4200.35 lakhs as at 31st March, 1999.

As at September, 2000 deposits amounting to Rs. 47.47 lakhs comprising 332 depositors having matured for payment were due to be claimed or renewed. Steps are being taken to obtain depositor's instructions to ensure renewal / repayment of these deposits. Deposits amounting to Rs. 11.69 lakhs has been repaid or renewed out of the total unclaimed deposits as on the date of this report. There are no matured Deposit claimed by the depositors but not paid by the Company.

6. DIRECTORS :

The following directors, retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

1. Sri. R. Ramakrishnan
2. Sri. S.L. Narayanan

7. AUDITORS :

M/s Sundaram & Srinivasan, Chartered Accountants, Chennai retire at the ensuing Fifteenth Annual General Meeting and are eligible for re-appointment.

8. INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT 1956 :

The Company is a Non-Banking Finance Company and is not engaged in any manufacturing activity of any kind. The disclosure of information to conservation of energy and technology absorption are therefore not applicable to the company. There were no foreign exchange earnings or outgo for the company during the year.

9. PERSONNEL :

Particulars of employees as required under 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are set out in the schedule annexed hereto forming part of this report.

10. GENERAL :

Your Directors wish to place on record their appreciation for the continuing and increasing support from all lending Institutions, legal advisors, customers and depositors for all the assistance rendered by them from time to time. The Directors also wish to thank the employees for their co-operation towards achieving the objectives of the Company.

Chennai
November 24, 2000

SURESH KRISHNA
CHAIRMAN.

UPASANA FINANCE LIMITED
ANNEXURE TO DIRECTORS' REPORT 2000

Particulars of employees as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended.

Sl. No.	Name	Age (Years)	Designation	Date of Employment	Remuneration (in Rupees)	Qualification	Experience (Years)	Last Employment
1.	S. RAMAKRISHNAN	55	President	01.02.1996	17,78,506	B.Sc., DMIT., M.B.A.,	24	Director & Chief Executive Indian Seamless Financial Services Limited

Notes :

- Years of experience include experience prior to joining the Company also.
- Remuneration includes Salary, Commission, HRA, Allowances, Contribution to PF, Superannuation Fund, LTA and taxable value of perquisites