

ASI FINANCE & INVESTMENT LIMITED

8-2-120/112/A/15&16,
Road No.9, Jubilee Hills,
HYDERABAD-500 004.



15th
Annual Report 1998-99

Report Junction.com



RAASI FINANCE & INVESTMENT LIMITED

BOARD OF DIRECTORS

Dr. B.V. Raju
Chairman

Shri K.V. Vishnu Raju
Vice Chairman

Shri K. Bala Vishnu Raju
Director

Smt. Vanitha Datla
Managing Director

Bankers

Andhra Bank
State Bank of Hyderabad
Syndicate Bank
Indian Bank

Auditors

M/s. M. Bhaskara Rao & Co.,
5-4, 5th, Kautilya,
6-3-652, Somajiguda,
Hyderabad - 500 482.

Registered Office

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Road No.9, Jubilee Hills,
HYDERABAD-500 004.

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RAASI FINANCE & INVESTMENT LIMITED

NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of Raasi Finance and Investment Limited will be held on 29th December, 1999 at 11.30 A.M. at Bhaskara Auditorium, Birla Museum, Adarsh Nagar, Hyderabad - 500 463, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Annual Accounts and the reports of the Directors and the Auditors thereon for the year ended 30th September, 1999.
2. To appoint a Director in place of Sri.K.V.Vishnu Raju who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare Dividend on Equity Shares.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification the following resolution which will be proposed as an ordinary resolution:
"RESOLVED THAT Sri.K.L.Narasimham be and is hereby appointed as Director of the Company."
6. To consider and, if thought fit, to pass, with or without modification the following resolution which will be proposed as an ordinary resolution:
"RESOLVED THAT Sri.B.V.N. Satyanarayana Raju be and is hereby appointed as Director of the Company."
7. To consider and, if thought fit, to pass, with or without modification the following resolution which will be proposed as an ordinary resolution:
"RESOLVED THAT Sri.M. Ravindra Varma be and is hereby appointed as Director of the Company."

By order of the Board

Place : Hyderabad
Date : 29.11.99

DR. B.V. RAJU
CHAIRMAN

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 and the Proxy need not be a Member of the Company. The proxy instruments should be deposited at the Registered Office of the Company not later than 48 hours before the time for holding the meeting.
2. The Register of Members of the Company will remain closed from 27.12.99 Monday to 29.12.99 Wednesday both days inclusive.
3. Members are requested to notify any change in their address immediately to the Company.


RAASI FINANCE & INVESTMENT LIMITED
EXPLANATORY STATEMENT :
(Pursuant to Section 173(2) of Companies Act, 1956)
Item No. 5.

Sri.K.L.Narasimham was co-opted as Additional Director, in pursuance of Article No.96 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956. He shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing under Section 257 of the Companies Act, 1956, from a Member proposing the candidature of Sri.K.L.Narasimham as Director. . None of the Directors is interested in the resolution except Sri.K.L.Narasimham.

Item No. 6.

Sri.B.V.N.Satyanarayana Raju was co-opted as Additional Director, in pursuance of Article No.96 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956. He shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing under Section 257 of the Companies Act, 1956, from a Member proposing the candidature of Sri.B.V.N. Satyanarayana Raju as Director. None of the Directors is interested in the resolution except Sri.B.V.N. Satyanarayana Raju.

Item No. 7.

Sri. M. Ravindra Varma was co-opted as Additional Director, in pursuance of Article No.96 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956. He shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing under Section 257 of the Companies Act, 1956, from a Member proposing the candidature of Sri.M. Ravindra Varma as Director. None of the Directors is interested in the resolution except Sri.M. Ravindra Varma and Dr.B.V.Raju.

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RAASI FINANCE & INVESTMENT LIMITED

DIRECTORS' REPORT

To

The Members,

Your Directors are pleased to present the 15th Annual Report of the Company together with the Audited Accounts of the Company for the Financial Year Ended 30th September, 1999.

FINANCIAL RESULTS

	30.09.1999 Rs.	31.3.1998 Rs.
Profit/ (Loss) before Tax	8,41,54,897	1,56,22,870
Provision for Taxation	(1,43,58,274)	(68,80,000)
Profit/ (Loss) after Tax	6,97,96,623	87,42,870
Prior Year Taxation	(8,08,519)	(18,63,249)
Prior Year Adjustments	(7,413)	(58,116)
Profit after Taxation	6,89,80,691	68,21,505
Add : B/F Profit/ (Loss) from Previous Years	11,00,843	6,61,614
Add : Provision No Longer required Written back	—	19,78,509
Profit available for appropriation	7,00,81,534	94,61,628
Transfer to Reserve Fund	1,38,34,400	17,60,000
Dividend	75,94,291	56,00,715
General Reserve	51,87,900	14,65,000
Corporate Dividend Tax	8,35,372	5,60,070
Balance Carried to Balance Sheet	4,26,29,571	11,00,843

DIVIDEND

Your Directors are pleased to recommend a dividend at the rate of 20% on the paid-up Equity Share Capital of the Company for the Year Ended 30th September, 1999. The Dividend will be exempt from Income Tax in the hands of the Share holders.

OPERATIONS

Report

During the Financial Year your Company has restricted the operations in financial services in view of the difficult conditions prevailing in the Financial Services Sector. The Company's application for registration with Reserve Bank of India has been accepted by Reserve Bank of India and the Company is now registered with Reserve Bank of India as a Non-Banking Finance Company.



RAASI FINANCE & INVESTMENT LIMITED

DEPOSITS

The aggregate Deposits in your Company as on 30.9.1999 stood at Rs.3.05 lakhs (Previous Year Rs. 1.35 Crores).

DIRECTORS

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, your Director Mr. K.V. Vishnu Raju retires by rotation and being eligible offers himself for reappointment. Mrs. Vanitha Datta, Managing Director completes her term as Managing Director and not seeking extension and reappointment as Director. Your Board places on record its appreciation for the services and valuable guidance extended by her to the Company. Sri.K.L.Narasimham, Sri.B.V.N.Satyanarayana Raju and Sri. M. Ravindra Varma co-opted on the Board during the year as Additional Directors will retire at the ensuing Annual General Meeting. Notices under Section 257 have already been received from Members proposing their appointment as Directors at the ensuing Annual General Meeting.

PARTICULARS OF EMPLOYEES

PARTICULARS OF EMPLOYEES REQUIRED UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956.

Read with Companies (Particulars of Employees) Rules 1975

Name	Designation	Age (Years)	Qualifi- cation	Date of Commencement of Employment	Remune- ration Rs.
Mrs. Vanitha Datta	Managing Director	32	C.F.A. M.B.A.	09.12.1994	Rs.10,80,000/-

NOTES:

1. Nature of employment of the above in contractual.
2. The above employee is related to Dr. B.V.Raju and Sri.K.V. Vishnu Raju, Directors of the Company.

Replies to Comments by Auditors in their Report.

- (i) M/s. Sri Vishnu Cement Limited stock witnessed a spurt in the prices on the stock exchanges from August'98 onwards. The management thought it fit, to acquire these shares in bulk for trading in the scrip and towards this purpose, entered into a MoU with M/s.Kalahastheeswar Finance Private Limited. to



RAASI FINANCE & INVESTMENT LIMITED

purchase @ Rs.108/- per share, as against prevailing market price of around Rs.90/- per share. As the stock market prices are never constant, if this huge quantity were to be purchased in the stock markets also, the acquisition price would have been around the same price as now purchased or even more, with the added risk of bad deliveries.

- (ii) Clause (14) of Statement of Auditors under MAOCAR 1988:
The Company is an Investment company and is statutorily exempted U/s 49 (4) of the Companies Act, from registering any shares/debentures acquired into its name and consequently the same being entered in the Register maintained for this purpose.

AUDITORS

M/s. M.Bhaskara Rao & Co., Chartered Accountants, who are the Auditors of the Company, retire at the close of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

COMPANIES (DISCLOSURE OR PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

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|--|-------------------|
| A. Conservation of Energy (a to d) | : Not applicable. |
| B. Technology absorption(e) | : Not applicable. |
| C. Foreign Exchange Earnings and outgo | |
| f) Activities relating to exports | : Not applicable. |
| g) Total foreign exchange used and earned foreign exchange outgo | : Nil. |

ACKNOWLEDGEMENTS

Your Directors place on record, their deep appreciation for the co-operation extended by the Central & State Governments, the Company's Bankers, Andhra Bank, Indian Bank, Syndicate Bank, State Bank of Hyderabad, The Vysya Bank Ltd., and the investors of the Company and look forward to their continued patronage.

The Directors wish to place on record their sincere appreciation of the dedicated services rendered by all the employees of the Company.

By order of the Board

Place : Hyderabad
Date : 29.11.99

Dr. B.V. RAJU
CHAIRMAN