

HASTI FINANCE LIMITED



WE KNOW THE VALUE OF MONEY

10th Annual Report
2003 - 2004



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BOARD OF DIRECTORS

Sri SURESH CHAND SURANA

Managing Director

Sri D.K. SURANA

Sri MANOHARAN V.

Sri PADAM CHAND SURANA

Sri VENKATESON

REGISTERED OFFICE :

34, Erullappan Street,
Sowcarpet, Chennai - 600 079.
Phone : 044 - 25394320, 25394363

BRANCH OFFICE :

705, Madurai Road
Theni - 625 531.
Phone : 04546 - 255182

AUDITORS :

D.K. Golchha & Co.,
Chartered Accountants
3, Nyniappa Naicken Street
3rd Floor, Park Town
Chennai - 600 003.

BANKERS :

Indian Overseas Bank
Tamilnadu Mercantile Bank Ltd.
Indian Bank

REGISTRARS AND TRANSFER AGENTS :

CAMEO Corporate Services Ltd.,
'SUBRAMANIAM BUILDINGS'
No. 1, Club House Road
Chennai - 600 002.
Phone : 28460390



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NOTICE

NOTICE is hereby given that the 10th Annual General Meeting of the Company will be held on 30th September 2004 at 10.00 a.m. at No.205,2ndFloor,Kaveri Complex,96\104Nugambakkam High Road, CHENNAI – 600 034. to transact the following business,

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2004, and Profit and Loss Account for the year ended 31st March 2004 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Sri. D. K. Surana, who retires by rotation as per Articles 42(1) of the Articles of Association of the Company and who, being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Sri. Manoharan V., who retires by rotation as per Articles 42(1) of the Articles of Association of the Company and who, being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration. The retiring Auditors M/s.D.K. Golchha & Co., Chartered Accountant, Chennai are eligible for re-appointment. In this connection to consider and if thought fit, to pass, with or without modification(s) the following resolution as an ordinary resolution.

Resolved that M/s.D.K. Golchha & Co., Chartered Accountants, Chennai be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the Conclusion of the next Annual General Meeting on a remuneration of Rs. 10, 000- (Rupees ten thousand only) in addition to reimbursement of out of pocket expenses.

By order of the Board

For **HASTI FINANCE LTD**

(Sd/-)

Suresh Chand Surana

Managing Director



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NOTES:

1. Member who hold shares in dematerialised form are requested to indicate without fail their DP ID and client ID Numbers in the attendance slip.
2. Nomination for physical shares :
Members holding shares in physical form are encouraged to nominate a person to whom his shares in the Company shall vest in the event of his Death.
3. Holding shares in Identical order of Names:
Members holding shares in Identical order of Names in more than one folio are requested to write to Registrars and Share Transfer Agents to consolidate their holding in one Folio.
4. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. Such proxy need not be a member of the Company. The instruments appointing proxy in order to be valid should reach the Registered Office of the Company not less than 48 hours before the commencement of the meeting. A blank proxy form is annexe to the annual report.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 25.09.2004 to 30.09.2004 (both days inclusive).
6. The Shareholders are requested to intimate immediately any change in their address to Register of the Company.
7. The members are requested to bring admission slip duly filled in and handover the same at the entrance of the meeting hall along with their copies of Annual Report to the Meeting and are also requested to send their queries, if any, on the accounts well in advance, so as to enable the Company to place relevant records and information at the time of Annual General Meeting.
8. It will be helpful if your Registered Folio Numbers/client ID number is quoted in all your correspondence with the Company.
9. The document referred to in this notice / explanatory statement are open for inspection by any members at the Registered office of the Company during the Company's business hours on any working day upto the last date of Annual General Meeting.



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DIRECTORS' REPORT

TO
THE MEMBER
OF HASTI FINANCE LIMITED

Your Directors are pleased to present their Tenth Annual Report together with the audited statements of accounts for the year ended 31st March 2004.

FINANCIAL RESULTS

The Directors state that the Company has made a profit of Rs.11,81,829. This was due to recession in the overall business activities and also due to the Governmental regulations.

	(Rs.in '000)	
	Year ended 31.3.2004	Year ended 31.3.2003
Income from financial services and interest	3397.43	2920.07
Other Income	83.96	71.50
Profit before depreciation and tax	2077.04	1393.39
Depreciation	329.60	357.32
Profit before tax	1631.83	1035.07
Provision for taxation	450.00	430.00
Profit/loss after tax	1181.83	605.06
Add Profit Brought Forward	3265.77	2660.71
Amount available for appropriation	4447.60	3265.77
Appropriation	-	-
Transfer to General reserve	-	-
Surplus carry to Balance Sheet	4447.60	3265.77

DIVIDEND:

Your directors express their inability to declare dividend, as the Company has no adequate Profits during the financial year.

PUBLIC DEPOSITS:

Your company has not accepted any deposits from the Public during the current financial year.

DEMAT :

The Company's Shares are available for Dematerialisation with NSDL and CDSL .The Members can avail this facility .



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DIRECTORS' REPORT

OPERATION:

The auto sector recorded a significant slowdown markets scenario for commercial vehicle remained sluggish during the year 2003-2004 the company could not achieve the performance by overcoming a lot of hurdles by way of competition, financing at lower interest by Banks, Institutions and restriction by government.

As there is an overall recession the Company could not do much of business.

FUTURE PROSPECTS:

Finance business is facing intense competition from banks financial institutions and other large corporate in commercial vehicles and domestic vehicles forcing the Company to accept the business at lower margins and lower interest rates. Margins for the coming year are likely to be under strain and in order to remain competitive your Company has initiated steps to reduce operating cost.

PARTICULARS OF EMPLOYEES:

At present there are no employees drawing a salary of more than Rs.25, 000/- per month and hence a statement under Section 217(2A) of the Companies Act 1956, is not furnished.

DISCLOSURE UNDER SEC.217 (1 (E))

Conservation of energy, Technology absorption, adoption, innovation etc. are not applicable to the Company, as the Company is a Finance Company not a major energy consuming one.

FOREIGN EXCHANGE EARNINGS AND OUT GO DURING THE YEAR.

There is no foreign exchange earnings or out go during the year.

AUDITORS REPORT.

The Auditors report to the Shareholders does not contain any qualifications.

DIRECTORS RESPONSIBILITY

The Board of Directors of the Company confirms:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure:
2. That the selected accounting policies were been applied consistently and the directors made judgements and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March 2004, and of the profit of the Company for the year end on that date:
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records in