

HASTI FINANCE LIMITED



WE KNOW THE VALUE OF MONEY

14th Annual Report

2007 - 2008



WE KNOW THE VALUE OF MONEY

BOARD OF DIRECTORS

Sri SURESH CHAND SURANA
Managing Director

Sri D.K. SURANA
Sri MANOHARAN V.
Sri PADAM CHAND SURANA
Sri VENKATESAN

REGISTERED OFFICE :

205, 2nd Floor, Kaveri Complex,
96/104 Nungambakkam High Road,
Nungambakkam, CHENNAI - 600034
Phone : 044 - 25394320

CORPORATE OFFICE :

No. 34 Erullappan Street,
CHENNAI - 600079

AUDITORS :

VIVEK KUMAR AGARWAL & CO.,
Chartered Accountants
Sowcarpet,
Chennai - 600 079.

BANKERS :

Indian Overseas Bank
Indian Bank
Federal 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 14th Annual General Meeting of the Company will be held on 30th September 2008 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 2008, and Profit and Loss Account for the year ended 31st March 2008 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Sri. P.Venkateshan, 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 Auditors and fix their remuneration. The retiring Auditors M/s.Vivek Kumar Agrawal & 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.Vivek Kumar Agarwal & 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.6,000- (Rupees six thousand only) in addition to reimbursement of out of pocket expenses.

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 25.09.2008 to 30.09.2008 (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.



DIRECTORS' REPORT

TO
THE MEMBER
OF HASTI FINANCE LIMITED

Your Directors are pleased to present their Fourteenth Annual Report together with the audited statements of accounts for the year ended 31st March 2008.

FINANCIAL RESULTS

The Directors state that the Company has made a profit of Rs.1,58,284.00 This was due to recession in the overall business activities and also due to the Governmental regulations.

| | (Rs.in '000) | |
|---|-------------------------|-------------------------|
| | Year ended 31.3.2008 | Year ended 31.3.2007 |
| Income from financial services and interest | 1887.29 | 1918.40 |
| Other Income | - | - |
| Profit before deprecation and tax | 422.61 | 543.32 |
| Depreciation | 190.32 | 319.70 |
| Profit before tax | 232.28 | 223.63 |
| Provision for taxation | 74.00 | 150.94 |
| Profit/loss after tax | 158.28 | 72.68 |
| Add Profit Brought Forward | 4864.81 | 4792.13 |
| Amount available for appropriation | 5023.10 | 4864.81 |
| Appropriation | - | - |
| Transfer to General reserve | - | - |
| Surplus carry to Balance Sheet | 5023.10 | 4864.81 |

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.

OPERATION:

The auto sector recorded a significant slowdown markets scenario for commercial vehicle remained sluggish during the year 2007-2008 the company could not achieve the performance by overcoming a lot of hurdles by way of international recession, competition, financing at lower interest by Banks, Institutions, restriction by government and subsequent increase in fuel prices.

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 or 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.1,00,000/- 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 2008, 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 accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.



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AUDITORS

M/S. Vivek Kumar Agarwal & Co., Chartered Accountants Chennai, the Auditors of the Company retire at the conclusion of this annual general meeting and are eligible for re-appointment.

ACKNOWLEDGEMENT;

The Directors take this opportunity of thanking for the whole hearted and sincere Co-operation received from all its Bankers and other Governmental Agencies.

The Directors wish to place on record their sincere appreciation for the contribution made by every one who is associate with the Company and hope that they would continue their dedicated efforts for attainment of better working results in the years to come.

On behalf of the Board.

(Sd/-)

Suresh Chand Surana
Managing Director

DATE: 30.08.2008
PLACE: CHENNAI



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NOTE ON CORPORATE GOVERNANCE

Corporate Governance, in its true sense, deeply embedded in the corporate philosophy of your company, The Following is the report in this regard,

1. The Board of Directors had met Nine times during the year 2007-2008 and the gap between any successive meeting did not exceeded four months.
2. The Board has Five mebers comprising of One Managing Director and One Whole Time Director and another Three are non whole time Directors out if this three two are independent Directors.
3. Share Transfer / Transmission are being processed and approved promptly through Circular Resolution of the Share Transfer Committee ratifice subsequently by the Board at its regular meetings.
4. It is ensured that queries of shareholders are attended to within a maximum period of 7 days.
5. There are no outstanding complaints received from the shareholders.

The Board is pleased to inform that during the Financial Year 2007 - 2008 no penalties / strictures have been imposed in the Company by the Stock Exchange(s), Registrar of Companies, SEBI or any other Statutory Authority in any manner related to Capital Markets.

6. The listing fee payable to the Stock Exchanges, Mumbai have been paid in time during the year 2007 - 2008.
7. The Company has the following Sub Committees:

A) Remuneration Committee

| | |
|------------------------|----------|
| Sri Dilip Kumar Surana | Chairman |
| Sri V.Manoharan | Director |
| Sri P.Venkatesan | Director |

B) Shareholder / Investor Grievance Committee :

Sri Dilip Kumar Surana
Sri V.Manoharan
Sri Padam Chand Surana

8. The Company has compiled with the requirments of allowing the shareholders to hold the shares in Electronic Form by signing the tripatite agreement with NSDL, CDSL and M/s Cameo Corporate Services Limited during the year 2001.



NOTE ON CORPORATE GOVERNANCE

WE KNOW THE VALUE OF MONEY

9. The Company has complied with various Stock Exchange requirements like holding the Board meetings for approving the quarterly unaudited results promptly and in publishing the same in the press.

The Company has further complied with the additional requirement of obtaining 'A Limited Review Certificate from the Statutory Auditors on the half yearly accounts (unaudited) for the half year ended 30.09.2007 and sent a copy of the same to the Stock Exchange as stipulated in the listing agreements with the Stock Exchange.

Attendance of the Meetings :

| Sl.No. | Name of the Director | Category Directorship | No. of Board Meetings attended | Attendance at Last AGM |
|---------------|-----------------------------|------------------------------|---------------------------------------|-------------------------------|
| 01. | Suresh Chand Surana | M.D. | 6 | Yes |
| 02. | D.K. Surana | Director | 6 | Yes |
| 03. | Padam Chand Surana | Wh.Tm. Director | 6 | Yes |
| 04. | V. Manoharan | Director | 5 | Yes |
| 05. | P. Venkatesan | Director | 6 | Yes |

SHARE TRANSFER COMMITTEE :

All the members of the Committee Sri. Dilip Kumar Surana, Sri. Padam Chand Surana and Sri.V.Manoharan approved the 2 Circular resolutions placed before them, Each of these resolutions were subsequently ratified by the Board.

The Committee met 12 times during the year and all the Members attended these meetings.



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AUDITOR'S REPORT

To
The Members of
HASTI FINANCE LIMITED.

We have audited the attached Balance Sheet of M/s. Hasti Finance Limited, as at 31st March 2008 and the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order 2003 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, We enclose in the annexure statement of the matters specified in paragraphs 4 & 5 of the said order.
2. Further to our comments on the Annexure referred to in paragraph above, we report that :-
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of accounts as required by law have been kept by the company, so far as it appears from our examination of such books of accounts.
 - (c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts maintained by the Company.
 - (d) In our opinion the Balance Sheet, Profit & Loss Account and Cash flow statement comply with the Accounting Standards as referred in sub section (3C) of Section 211 of the Companies Act, 1956.
 - (e) Based on representations made by the directors of the company and according to the information and explanation given to us. In our opinion the directors of the company are not prima facie disqualified from being appointed as directors under section 274(1)(g) of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanation given to us the said accounts read together with notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
 - (i) in the case of the Balance Sheet of the State of affairs of the Company as at 31st March 2008.
 - (ii) in the case of Profit & Loss Account of the profit of the Company for the year ended on that date.
 - (iii) in the case of cash flow statement, of the cash flow for the year ended on that date.

for **Vivek Kumar Agarwal & Co.,**
Chartered Accountants

Place : Chennai
Date : 22.08.2008

Sd/-
VIVEK KUMAR AGARWAL
Prop.



ANNEXURE TO AUDITORS REPORT REFERRED IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As explained to us the fixed assets have been physically verified by the management during the years in a phased periodically manner, which is in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancy were noticed on such verification.

(c) According to the information given to us and in our opinion the has not disposed substantial portion of its fixed assets which will effect the company as a going concern.
2. The Company does not hold any inventories and therefore class 4 (ii) of the Companies (Auditor's Report) order 2003 is not applicable to the Company. None of the fixed assets have been revalued during the year.
3. The Company has taken loans from Director and Relatives covered by Register maintained u/s 301 of the act. The terms of the loans are not prejudicial to the interest of the company and company has not given any loan to parties covered by Register maintained u/s 301 of the act.
4. In our opinion and according to the information and explanations given to us there is adequate internal control procedure commensurate with the size of the Company and the nature of its business for purchase of fixed assets. During the course of our audit, we have not observed any major weakness in internal controls. The Company does not purchase any inventories neither does sell any goods.
5. According to the information and explanation given to us, there are no transaction in pursuance of contracts or arrangements entered in the Register maintained u/s 301 of the Companies Act 1956 aggregating during the year to Rs.500000/- or more in respect of any party.
6. The company has not accepted any deposits from the public during the year.
7. In our opinion, the internal system of the company is commensurate with the size and nature of the business.
8. The Central Government has not prescribed the maintenance of any cost records u/s 209(1) (d) of the Companies Act, 1956.



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AUDITOR'S REPORTS

- 9 a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees Insurance Fund, Income tax, Sales Tax, Wealth Tax and other statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as 31st March, 2008 for a period of more than six months from the date of becoming payable.
- b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
10. The Company has not accumulated losses and has not incurred any cash losses during the Financial Year covered by our audit or in the immediately preceding Financial Year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks.
12. According to information and explanations given to us, the Company has not granted any loans and advances on the basis of security of by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or nidhi / mutual fund / society. Therefore clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. The Company is dealing with shares, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from banks or financial Institutions.
16. According to the information and explanations given to us, the Company has not availed any fresh loans during the year.
17. According to the information and explanations given to us and an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilised the short term for long term investments and vice versa.
18. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained u/s 301 of Companies Act 1956.
19. The Company has not issued any debentures.
20. The Company has not raised any money from public issue during the year.
21. According to the information and explanations given to us, during the year, no fraud on or by the Company has been noticed or reported.

for **VIVEK KUMAR AGARWAL & CO.,**

Chartered Accountants

Sd/-

VIVEK KUMAR AGARWAL

Prop.

Place : CHENNAI

Date : 22.08.2008

BALANCE SHEET
As at 31st March 2008



WE KNOW THE VALUE OF MONEY

| | | (Amount in Rs.) | |
|---|---|--------------------|--------------------|
| | | 2007 - 2008 | 2006- 2007 |
| I. SOURCES OF FUNDS | | | |
| 1. Share Holders Funds | | | |
| a) Share Capital | | 2,62,26,000 | 2,62,26,000 |
| b) Reserves & Surplus | | 69,10,101 | 67,51,817 |
| 2. Loans Funds | | | |
| a) Secured Loans | | ----- | 30,59,170 |
| b) Unsecured Loans | | 93,000 | 98,000 |
| | | 3,32,29,101 | 3,61,34,987 |
| II. APPLICATION OF FUNDS | | | |
| 1. Fixed Assets | | 4,39,674 | 9,43,845 |
| 2. Investments | | 10,59,374 | 10,50,000 |
| 3. Current Assets, Loans & Advances | | | |
| a) Vehicle Loan Debtors | | 1,38,79,125 | 1,38,81,616 |
| b) Cash & Bank Balances | | 39,541 | 5,31,083 |
| c) Loans & Advances | | 2,08,00,132 | 2,34,48,252 |
| | A | 3,62,17,846 | 3,78,60,951 |
| Less : Current Liabilities & Provisions | | | |
| a) Current Liabilities | | 29,14,745 | 35,50,809 |
| b) Provisions | | 74,000 | 1,68,999 |
| | B | 29,88,745 | 37,19,809 |
| Net Current Assets (A-B) | | 3,17,30,053 | 3,41,41,142 |
| Notes on Accounts | | 3,32,29,101 | 3,61,34,987 |

Vide our Report of even date annexed

For and on Behalf of the Board

For VIVEK KUMAR AGARWAL & CO.,
Chartered Accountants

Sd/-
Managing Director

Sd/-
Director

VIVEK KUMAR AGARWAL
Prop

Place : Chennai
Date : 22.08.2008

**PROFIT AND LOSS ACCOUNT FOR THE YEAR
ENDED 31st MARCH 2008**



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| | (Amount in Rs.) | |
|--|------------------|------------------|
| | 2007 - 2008 | 2006 - 2007 |
| I. INCOME : | | |
| Finance Charges | 5,43,760 | 4,51,870 |
| Interest Income | 13,43,527 | 14,66,537 |
| | <hr/> | <hr/> |
| TOTAL Rs. | 18,87,287 | 19,18,407 |
| | <hr/> | <hr/> |
| II. EXPENDITURE : | | |
| Financial charges | 2,43,543 | 4,41,293 |
| Employee Remuneration & Benefits | 4,38,500 | 4,59,293 |
| Administrative & Other Expenses | 3,16,191 | 4,15,056 |
| Expenses Related to Securities | 73,327 | 59,340 |
| Loss on Shares Trading | 3,93,118 | ---- |
| Depreciation | 1,90,324 | 3,19,795 |
| | <hr/> | <hr/> |
| | 16,55,003 | 16,94,785 |
| | <hr/> | <hr/> |
| Profit before Tax | 2,32,284 | 2,23,622 |
| Less : Provision for Tax | 70,000 | 1,47,381 |
| For Current year (FBT) | 4,000 | 3,559 |
| Profit / (Loss) After Tax | 1,58,284 | 72,682 |
| Add : Balance brought forward balance carried to balance sheet | 48,64,817 | 47,92,135 |
| | <hr/> | <hr/> |
| Notes on Accounts | 50,23,101 | 48,64,817 |

Vide our Report of even date annexed

For and on Behalf of the Board

For **VIVEK KUMAR AGARWAL & CO.,**
Chartered Accountants

Sd/-
Managing Director

Sd/-
Director

VIVEK KUMAR AGARWAL
Prop.

Place : Chennai
Date : 22.08.2008

SCHEDULE



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NOTES ON ACCOUNTS

1. ACCOUNTING POLICIES

(a) Finance charges are accounted under capital recovery method. Additional Finance Charges accounted on receipt basis.

(b) Fixed Assets and Depreciation

(i) Fixed Assets are stated at cost less accumulated Depreciation. Depreciation is provided on fixed assets on Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

2. Finance Stock is shown at Agreement value less instalments received and the value of the vehicle repossessed.

| | 2007 - 2008 | 2006 - 2007 |
|-----------------------------------|-----------------|-----------------|
| 3. Managerial Remuneration | | |
| Salary to Managing Director | 1,50,000 | 2,00,000 |
| Salary to Whole time Director | 1,44,000 | 1,50,000 |
| TOTAL Rs. | <u>2,94,000</u> | <u>3,50,000</u> |

| | | |
|----------------------------------|--------------|---------------|
| 4. Auditor Remuneration | | |
| For Statutory Audit | 6,742 | 22,747 |
| For Certification and other Work | --- | --- |
| TOTALRS. | <u>6,742</u> | <u>22,747</u> |

5. The Interest on Loan amounts given are provided wherever it is receivable. The Interest amount is not provided where the Principal amount in itself is in doubtful. The same shall be provided as and when received.

6. Loan advanced amounts are taken as available from the books of account and are subject to confirmation from the parties to whom the loans are advanced.

7. Previous years figures are regrouped or recasted wherever necessary.

Vide our Report of even date annexed

For and on Behalf of the Board

For VIVEK KUMAR AGARWAL & CO.,
Chartered Accountants

Sd/-
Managing Director

Sd/-
Director

VIVEK KUMAR AGARWAL
Prop

Place : Chennai
Date : 22.08.2008



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CASH FLOW STATEMENT

(In Lakhs)

| | 2007 - 2008 | | 2006 - 2007 | |
|--|-------------|---------------|-------------|--------------|
| A. CASH FROM OPERATING ACTIVITIES : | | | | |
| Profit before Tax | | 2.32 | | 2.24 |
| Add : - Financial Expenses | 2.44 | | 4.41 | |
| Depreciation | 1.90 | | 3.19 | |
| Loss on sale of assets | 0.00 | | 0.00 | |
| Preliminary Expenses W/off | 0.00 | | 0.00 | |
| Operating Profit before Working Capital Changes | | 6.66 | | 9.84 |
| Adjustments for :- | | | | |
| Finance Stock / Repossessed Vehicle | 0.02 | | 0.00 | |
| Loans, Advances & Other Assets | 26.48 | | 2.32 | |
| Current Liabilities | -6.36 | 20.14 | -2.87 | -0.55 |
| Cash Generated from Operations | | 26.80 | | 9.29 |
| Financial Expenses | -2.44 | | -4.41 | |
| Income Tax Paid | -1.55 | -3.99 | -1.50 | -5.91 |
| Net Cash from Operating Activities - A | | 22.81 | | 3.38 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of Fixed Assets | 0.89 | | 0.00 | |
| Sale of Fixed Assets | 3.81 | | 0.00 | |
| Net Cash from investing Activities - B | | 2.92 | | 0.00 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Increase from Bank Borrowing | -30.59 | | -1.80 | |
| Increase in Short Term Loan | -0.05 | | 0.98 | |
| Net Cash From Financing Activities -C | | -30.64 | | -0.82 |
| NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C) | | -4.91 | | 2.56 |
| Cash & Cash Equivalents at beginning of the year | | 5.31 | | 2.75 |
| Cash & Cash Equivalents at the end of the year | | 0.40 | | 5.31 |

For and on Behal of the Board

Sd/-

SURESH CHAND SURANA
Managing Director

Sd/-

D.K. SURANA
Director

CERTIFICATE

We have examined the Cash Flow Statement of Hasti Finance Limited for the year ended 31st March 2008. The Statement has been prepared by the Company in accordance with the requirements of Listing Agreement with Stock Exchanges and is based on and derived from the audited accounts of the Company for the year ended 31st March 2008.

For **VIVEK KUMAR AGARWAL & CO.,**
Chartered Accountants

Place : Chennai
Date : 22.08.2008

Sd/-
VIVEK KUMAR AGARWAL
Prop.



WE KNOW THE VALUE OF MONEY

Balance Sheet Abstract and General Business Profile as required under Part IV of the Schedule IV to the Companies Act, 1956.

| | | | | | | | | | | | | | | |
|------|---|-------------------------|-------------------|---|---|---|---|---|---|---|---|---|---|---|
| I. | Registration details | Reg. No. & State Code | 2 | 8 | 3 | 3 | 3 | | | | 1 | 8 | | |
| | | Balance Sheet date | 3 | 1 | | 0 | 3 | | 2 | 0 | 0 | 8 | | |
| II. | Capital raised during Year (Rs. in '000s) | Public Issue | | | | | | | | | N | I | L | |
| | | Rights Issue | | | | | | | | | | N | I | L |
| | | Bonus Issue | | | | | | | | | | N | I | L |
| | | Private Placement | | | | | | | | | | N | I | L |
| | | Others | | | | | | | | | | N | I | L |
| III. | Mobilisation and Deployment of funds (Rs. in '000s) | Total Liabilities | | | | | | 3 | 3 | 2 | 2 | 9 | | |
| | | Total Assets | | | | | | 3 | 3 | 2 | 2 | 9 | | |
| | | Paid-up Capital | | | | | | 2 | 6 | 2 | 2 | 6 | | |
| | | Reserves and Surplus | | | | | | | 6 | 9 | 1 | 0 | | |
| | | Secured Loans | | | | | | | | | | N | I | L |
| | | Unsecured Loans | | | | | | | | | | | 9 | 3 |
| | | Net Fixed Assets | | | | | | | | | | 4 | 4 | 0 |
| | | Investments | | | | | | | | 1 | 0 | 5 | 9 | |
| | | Net Current Assets | | | | | | | 3 | 1 | 7 | 3 | 0 | |
| | | | Misc. Expenditure | | | | | | | | | | N | I |
| | Accumulated losses | | | | | | | | | | N | I | L | |
| IV. | Performance (Rs. in '000s) | Turnover | | | | | | | | 1 | 8 | 8 | 7 | |
| | | Total expenditure | | | | | | | | 1 | 6 | 5 | 5 | |
| | | Profit/Loss before Tax | | | | | | | | | 2 | 3 | 2 | |
| | | Profit/Loss after Tax | | | | | | | | | | 1 | 5 | 8 |
| | | Earning per share in Rs | | | | | | | | | 0 | . | 0 | 6 |
| | Dividend | | | | | | | | | | N | I | L | |

V. Generic Names

1.Item Code

| | | | | | | | | | | | | |
|---|---|---|--|---|---|---|---|---|---|---|---|---|
| N | O | T | | A | V | A | I | L | A | B | L | E |
|---|---|---|--|---|---|---|---|---|---|---|---|---|

Product Description - Hire Purchase Finance For and on Behal of the Board

SURESH CHAND SURANA
Managing Director

D.K. SURANA
Director



WE KNOW THE VALUE OF MONEY

HASTI FINANCE LIMITED

Registered Office : 205 2nd Floor, Kaveri Complex, 96/104 N.H.Road, Nungambakkam, Chennai - 34.

PROXY FORM

Regd. Folio No.....No. of Shares held..... I/
We.....of..... being a member/members
of the above named company, hereby appoint
.....of..... on failing
him.....of..... As my/our proxy to attend and
vote for me/us on my our behalf at the Fourteenth Annual General Meeting of the Company to be held on
Saturday 30th September 2008 at No. 205 2nd Floor, Kaveri Complex, 96/104 N.H.Road, Nungambakkam,
Chennai - 600 034. at 10.00 a.m. and at any adjournment thereof

Affix
Re. 1/-
Revenue
Stamp

Signature :

Date :

Note : Proxy Form must reach the Company's Registered Office not less than 48 hours before the meeting :

----- Tear Hear -----



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ATTENDANCE SLIP

Fourteenth Annual General Meeting 30.09.2008

Regd. Folio No.....No. of shares held.....to be handed over at entrance of the meeting
venue..... Name of attending member (in block
letters)..... Name of proxy (in block
letters) to be filled in by the proxy attending instead of the member) I hereby record my presence at the
Fourteenth Annual General Meeting held at No. 205 2nd Floor, Kaveri Complex, 96/104
N.H.Road, Nungambakkam, Chennai - 600 034. on 30th September, 2008 at 10.00 a.m.

Member's / Proxy Signature :

Notes :

1. Interested joint members may obtain attendance slip from the Registered Office of the Company.
2. Members/Joint member's proxies are required to bring the attendance slips with them. Duplicate slip will not be issued at the venue.

Book - Post

If undelivered please return to:

HASTI FINANCE LIMITED

34 Erullappan Street, Sowcarpet,
Chennai - 600079.