

HASTI FINANCE LIMITED

No.14, Imperial Hotel Complex, Near Albert Cinema Hall, Whannel Road, Egmore, Chennai, Tamil Nadu-600008
CIN: L65191TN1994PLC028333; Email Id: hastifinanceltd@gmail.com

Date: 12 th September, 2019

To,

The Manager,

Listing Compliance Department,

BSE Limited,

PhirozeJeejeeboy Towers,

Dalal Street, Mumbai – 400 001.

Ref: Scrip Code: 531387 –Hasti Finance Limited

Sub: Re-Submission of Annual Report for the Financial Year 2016-2017.

Dear Sir,

With reference to the captioned matter, our Annual Report for the financial year 2016-17 is not shown on the website of Stock Exchange. We are hereby enclosing our Annual Report 2016-17 along with this letter for uploading on the website of the Stock Exchange.

We request you to update the same in your records and on the website of the Stock Exchange.

Kindly acknowledge the same.

Yours faithfully,

For M/s. Hasti Finance Limited



NitinPrabhudasSomani

Director

DIN: 00841378

HASTI FINANCE LIMITED

23RD ANNUAL REPORT

2016-2017



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MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

It gives me a great pleasure to present the 23rd Annual Report of Hasti Finance Limited.

Hasti Finance Ltd was founded in 1994 by the erstwhile promoters. Your present management has taken the reins in their hands in late 2010 with a mission to participate in the growth of the nation through financial assistance to its core participants, empowering the nation's true wealth, its people through personalized and business finance to growing enterprises and individuals by becoming a leading finance company providing services to middle class & poor sectors of urban, semi urban and rural India.



With the clear mission in our mind, we have made every possible effort to create ease to the people such as lowering of interest rates, cutting down on margins, minimizing burden of penalty, allowing moratorium for projects which have potential to grow in later years if allowed ease in their crucial period of establishing the potential projects.

During the Course of this journey I believe, we have brought professionalism in terms of setting standards and ethics and organizational qualities to an industry largely dominated by unorganized players.

Your management is committed to growth and assured you improved performance ahead and we look forward to your continuous support on this journey.

Regards,

Sd/-
Nitin P. Somani
Chairman



CORPORATE PROFILE

❖ ***Board of Directors***

- Mr. Nitin Prabhudas Somani (Managing Director)
- Mrs. Sonal Nitin Somani (Executive Director)
- Mr. Vilas Shankar Daware (Independent Director)
- Mr. Vishal Nanalal Buddhadev (Independent Director)
- Mr. Manoj Kumar Padhye (Independent Director)

❖ ***Registered Office***

No.14, Imperial Hotel Complex, Whannels Road,
Near Albert Cinema Hall, Egmore,
Chennai- 600 008
Tel No. +91-8655458399

❖ ***Corporate Office***

Office No. 1A, Anubhav Apartments,
Sayani Road, Prabhadevi,,
Mumbai – 400 025
Tel No. +91-22-2430 2882

❖ ***Website : www.hastifinance.com***

Email : hastifinanceltd@gmail.com

❖ ***Statutory Auditors:***

Sandeep Rathi & Associates
Chartered Accountants,
304, Saba Palace, 4th Road,
Khar (W), Mumbai-400 052
Tel.No.- 022-32908261

❖ ***Registrar and Share Transfer Agent***

Big Share Services Private Limited
E-2 & 3, Ansa Industrial Estate,
Saki Vihar Road, Sakinaka,
Andheri (East), Mumbai-400 072
Website: www.bigshareonline.com
Email Id: rajeshm@bigshareonline.com
Tel No-022 40430200
Fax No-022-28475207

❖ ***Bankers:***

ICICI Bank Limited
The Bharat Co-op (Mum) Bank Ltd
IDBI Bank

Mission

Participate in the growth of the nation through financial assistance to its core participants viz: its people. Empower the nation's true wealth, its people, through personalized and business finance to growing enterprises and individuals.

Vision

To be the leading finance company, servicing the middle class and poor sectors of urban, semi-urban and rural India.

Core values

- *Our core values are an amalgamation of what we have been, what we are and what we want to.*
- *We believe that servicing the people is servicing the nation.*
- *We value individual dignity and respect the time and efforts of others. Through our actions we will nurture fairness, trust and transparency.*
- *As in past, we will continue to seek long term success, without compromising ethical business standards.*

Operational Highlights

The Company is moving ahead its path of success, conquering significant milestones.



Personal Loan

The Company has focused on Personal loan and business finance. Finance is the core requirement of very business enterprise. The company has targeted the financial needs of small and medium level entrepreneurs which is not only yielding good growth to the company in monetary terms but also acknowledging its participation in the national growth through empowering self employment in the society.

Gold Loan

In a nation like India, where gold is not only considered the most precious form of wealth but it is the most common article being mortgaged.

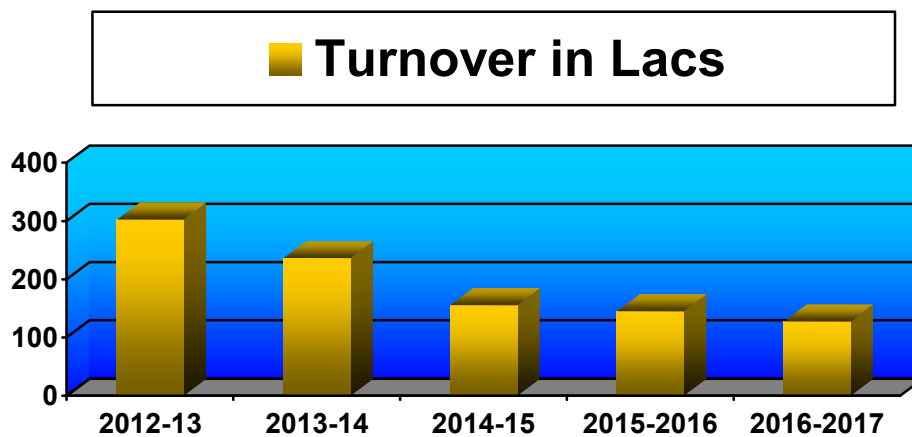


Housing Loan

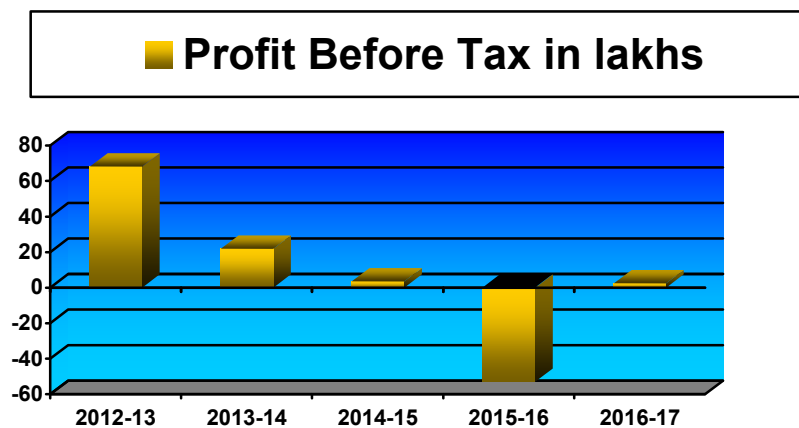
The next target of the company is Housing Finance. The company is getting ready to assist to shelter the people from the high property prices and lack of liquidity.

FINANCIAL HIGHLIGHTS

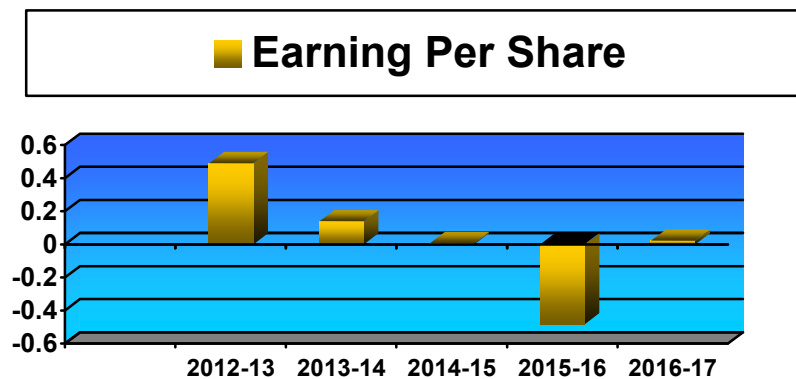
❖ **TURNOVER**



❖ **PROFIT BEFORE TAX**



❖ **EARNING PER SHARE**



NOTICE

NOTICE IS HEREBY GIVEN THAT TWENTY THIRD ANNUAL GENERAL MEETING OF HASTI FINANCE LIMITED WILL BE HELD AT REGISTERED OFFICE OF THE COMPANY AT 14 IMPERIAL HOTEL COMPLEX, NEAR ALBERT CINEMA HALL, WHANNELS ROAD, EGMORE, CHENNAI 600008 ON SATURDAY, 30TH SEPTEMBER, 2017 AT 12.30 P.M. TO TRANSACT THE FOLLOWING ORDINARY BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2017, Profit and Loss Account for the year ended 31st March, 2017 and the Reports of the Directors and Auditors thereon.
2. To appoint Auditors & fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, M/s. Randhir Kumar Jhunhunwala & Co., Chartered accountants (Firm Registration No. 113675W), be and is hereby appointed as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in the year 2022, subject to ratification by members at every Annual General Meeting, at a remuneration as may be decided anyone Directors of the Company with the mutual consent of the auditors.”

SPECIAL BUSINESS:

3. Re-appointment of Mr. Manoj Kumar Padhy as an Independent Director:-

To consider and pass the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provision of the section 149, 150, 152 read with Schedule IV and other applicable provision if any of the Companies (appointment and qualification of directors) Rules, 2014 as amended from time to time, Mr. Manoj Kumar Padhy (DIN- 03426213) who was appointed as an independent director by the board on 4th August, 2012 the consent of the company be and is hereby accorded for the reappointment of Mr. Manoj Kumar Padhy commencing from 4th August, 2017 till 3rd August, 2022 upon the terms and conditions set out in the

Explanatory statement annexed to the notice convening this meeting.

NOTES:

1. The Statement setting out the material facts relating to Special Business at the meeting pursuant to section 102 of the Companies Act, 2013 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument(s) appointing the proxy, if any, shall be deposited at the registered office of the Company 14 IMPERIAL HOTEL COMPLEX, NEAR ALBERT CINEMA HALL, WHANNELS ROAD, EGMORE, CHENNAI 600008 not less than Forty Eight (48) hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.

A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than Ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. Member who holds shares in dematerialized form are requested to indicate without fail their DP ID and client ID Number in the attendance slip.
4. Nomination for physical shares :

Member holding shares in physical form is encouraged to nominate a person to whom his shares in the Company shall vest in the event of his Death.

5. 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.

6. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday 24.09.2017 to Saturday

30.09.2017 (both days inclusive) in connection with the Annual General Meeting.

7. Members are requested to intimate the Registrar and Share Transfer Agent of the Company – Big Share Services Private Limited., E-2 & 3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai-400 072, immediately of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DPs) in respect of equity shares held in dematerialized form.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
9. Members holding share certificates under different folio numbers but in the same order of name are requested to apply for consolidation of such folios and send relevant share certificates to the Registrars and Share Transfer Agent of the Company.
10. Section 20 of the Companies Act, 2013 permits service of documents on members by a company through electronic mode. Accordingly, as a part of the Green Initiative, electronic copy of the Annual Report for FY 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. Further, in terms of SEBI Circular No. CIR/CFD/DIL/7/2011 dated 05.10.2011 and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the physical copies of Annual Report is being sent through permitted mode to all other members who have not registered their email address (es). Members may also note that the Annual Report for FY 2016-17 will also be available on the Company's website www.hastifinance.com for download.
11. The Company is providing facility for voting by electronic means. The business set out in the Notice can be transacted through such voting. The facility for voting through polling paper would also be made available at the Meeting and the members attending the Meeting who have not cast their vote by e-voting shall be able to vote at the Meeting.

12. The members who have cast their vote by e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
13. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to System Support Services a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
14. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
15. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS2) issued by the Institute of Companies Secretaries of India, Members have been provided with the facility to cast their vote electronically through the e-voting services provided by System Support Services, on all resolutions set forth in this Notice.

Notice of the 23rd Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes through electronic mode unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 23rd Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent through the permitted mode.

The instructions for e-voting are as under:

16. (i) Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic

means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

(ii) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

(iii) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

(iv) The remote e-voting period commences on Wednesday, 27th September, 2017 (9:00 am) and ends on Friday, 29th September, 2017 (5:00 pm). During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

(v) The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

(i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>

(iii) Click on Shareholder - Login

(iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select “EVEN” (“E-Voting Event Number”) of “Hasti Finance Limited”.

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to telscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

17. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.:1800-222-990.
18. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/ PIN for casting your vote.
19. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
20. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 23rd September, 2017.
21. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on

www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

22. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
23. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
24. Mr. Mukesh Saraswat, Practicing Company Secretary (Membership No. 28618) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
25. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
26. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
27. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company at rajeshm@bigshareonline.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE.
28. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.
29. Members holding shares in electronic form may please note that as per the regulations of National Securities Depository Ltd (NSDL) and

Central Depository Services (India) Limited (CDSL), the Company is obliged to print the bank details on the dividend warrants as furnished by these Depositories to the Company and the Company cannot entertain any request for deletion / change of bank details already printed on dividend warrants as per information received from the concerned Depositories. In this regard, Members should contact their Depository Participant (DP) and furnish particulars of any changes desired by them.

30. Shareholder/s holding physical shares are requested to approach any of the Depository Participants (DP) for dematerialization of their shares in the Company for ease and convenience.
31. Big Share Services Pvt. Ltd is the Registrar & Share Transfer Agent of the Company. All investor related communication may be addressed to RTA at the following address:

Big Share Services Private Limited
Address:
E-2 & 3, Ansa Industrial Estate,
SakiVihar Road,
Sakinaka, Andheri East
Mumbai-400072
Tel No: 022-40430200
Fax No: 022-28475207
www.bigshareonline.com
Email Id: rajeshm@bigshareonline.com

32. Members/Proxies are requested to kindly take note of the following:
- i. Copies of Annual Report will not be distributed at the venue of the meeting;
 - ii. Attendance Slip, as sent herewith, is required to be produced at the venue duly filled-in and signed, for attending the meeting;
 - iii. Entry to the hall will be strictly on the basis of the entrance pass, which shall be provided at the counters at the venue, in exchange for duly completed and signed Attendance Slips; and
 - iv. In all correspondence with the Company and/or RTA, Folio No. or DP & Client ID No., as the case may be, must be quoted.
33. Members are requested to send their queries, if any on the operations of the Company, to reach the Company at the Company's Registered Office, atleast 5 days before the meeting, so that the information can be compiled in advance.

34. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
35. Members may please note that briefcase, bag, mobile phone and/or eatables shall not be allowed to be taken inside the hall for security reasons.
36. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered Office at No.14, Imperial Hotel Complex, Whannels Road, Near Albert Cinema Hall, Egmore, Chennai- 600 008 on all working days of the Company, between 9.00 a.m. and 5.00 p.m. upto the date of the Annual General Meeting.
37. Members/Proxies are requested to bring their attendance slip duly filled in along with their copy of Annual Report to the Meeting.
38. Route map giving directions to the venue is annexed in Annexure-B to this Notice.

For & On behalf of the Board

Sd/-

Mumbai, 4th September, 2017

**Nitin Somani
Managing Director
DIN : 00841378**

ANNEXURE A
To the Notice of 23rd Annual General Meeting

EXPLANATORY STATEMENTS PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 3:

Mr. Manoj Kumar Padhy was appointed as an Independent Director for the period from 4th August, 2012 till 3rd August, 2017. The Board has vide resolution passed on 4th August, 2017, reappointed Mr. Manoj Kumar Padhy as independent director of the company for a period commencing from 4th August, 2017 till 3rd August, 2022 subject to approval of members.

In terms of Section 149 of the act, an Independent Director can hold office for a term up to 5 consecutive years on the Board of a company and is not liable to retire by rotation Mr. Manoj Kumar Padhy has given a declaration o the board that the meets the criteria of independence a provided under section 141(6) of the act as well as the listing regulation.

In the opinion of the board, Mr. Manoj Kumar Padhy fulfill the condition specified in the act and the rules framed thereunder for re- appointment as an independent director.

In compliance with the provision of section 149 read with Schedule IV to the Act, the re-appointment of Mr. Manoj Kumar Padhy as an independent director is placed before the member for their approval.

The terms and conditions of the appointment of independent director shall be open inspection by the members at the registered office during normal business hours on any working day of the company.

The director recommend the resolution set out at item no. 3 of the accompany notice.

Mr. Manoj Kumar Padhy is interested and concerned in the resolution mentioned at item no. 3 of the notice. None of the other directors of key

managerial personnel of the company and their relative is concerned or interested financially or otherwise in the resolution.

DETAILS OF THE DIRECTOR SEEKING REAPPOINTMENT AT AGM PURSUANT TO REGULATIONS 26(4) AND 36(3) OF LISTING REGULATIONS AND SECRETARIAL STANDARD- 2 ON GENERAL MEETINGS.

Name of the Director	:	MANOJ KUMAR PADHY
DIN	:	03426213
Age	:	44 years
Date of first appointment	:	04/08/2012
Qualifications	:	Bachelor of Commerce, Master of Commerce & MBA in Finance
Expertise in specific functional areas	:	Finance
Terms and conditions of appointment or reappointment	:	Nil
Details of remuneration last drawn (FY 2016-17)	:	Nil
Directorships in other Public Limited Companies (excluding foreign companies, private companies & Section 8 companies)	:	No
Membership of committees/ Chairmanship in other Public Limited Companies	:	Not applicable
No of Board Meetings attended during the year	:	6 meetings
No. of shares held		
(a) Own	:	44,000 shares
(b) For other persons on a beneficial basis	:	Nil

ANNEXURE B
To the Notice of 23rd Annual General Meeting



DIRECTORS' REPORT

TO THE MEMBERS OF HASTI FINANCE LIMITED

Your Directors have pleasure in presenting the 23rd Annual report of the Company together with the audited Financial Statements for the year ended 31st March, 2017.

1. FINANCIAL RESULTS:

The financial results of your company for the year ended 31st March, 2017 are summarized below:

Amount in 'lakhs'

Particulars For the Year ended	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Gross Income	136.19	145.61
Less: Expenses	121.02	195.46
Profit / (Loss) Before Interest, Depreciation and amortization, exceptional items and Tax	15.17	(49.85)
Less: Depreciation and amortization	12.78	3.13
Profit / (Loss) before exceptional items and tax	2.39	(52.98)
Add: Exceptional Item	-	-
Profit / (Loss) before Tax	2.39	(52.98)
Less/(Add) : Provision for Taxation	0.02	(0.65)
Profit / (Loss) after Tax	2.37	(52.33)
Add: Balance brought forward from previous year	194.63	246.96
Profit available before appropriations	197.00	194.63
Less: Appropriations	NIL	NIL
Surplus Carried to balance Sheet	197.03	194.63

During the year, the Income earned by the company comprises of interest income of Rs. 127.39 Lac and Long Term Capital Gain on sale of investment of Rs. 8.81 Lac (Previous Year: Rs. 144.89 Lac and Rs. NIL, respectively)

Following the RBI guidelines for income recognition and provision norms, the Company has provided a sum of Rs. 6.50 Lac for Contingent Provision against standard assets, which has resulted in a net operational profit after tax of Rs. 2.37 Lacs as compared to loss after tax of Rs.52.33 Lacs during the previous year. The Company's Net Worth as on March 31, 2017 stood at Rs. 2505.57 Lacs as against Rs. 2503.20 Lacs last year.

2. DIVIDEND:

Since the Company has earned inadequate profits, no dividend is recommended. Your directors are of the opinion that in order to keep the pace of the growth, the Company needs to maintain its reserves and hence do not recommend any dividend distribution out of the reserves.

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year under review:

- a. Business Operations and Profitability:** The Company is Non Banking Finance Company listed on BSE, ASE & MSE. To enhance the growth of the company by capturing huge market area, the company has lowered down the rate of interest due to which the company is experiencing decrease in total revenue of the company in the current financial year compare to earlier financial year. Due to lower margins the profitability of the Company has been affected and company has nominal profit after tax of Rs. 2.37 Lac only.
- b. Sales of Services:** The company is covered under the category of Loan Company within the broad category of Non Deposit accepting Non-Banking Finance Company. The target sector of the Company is Small business man and middle class households. Accordingly main products offered by the company are Unsecured Business and Personal Loan and Gold Loan.
- c. Marketing and Market environment:** The Company is carrying on its business activities on medium scale and therefore huge and extensive marketing strategies are not adopted by the company. The

company has adopted small scale business marketing strategies. The company is carrying on business of providing finance and there is huge competition in the market in this type of business sector.

d. Future Prospects including constraints affecting due to Government policies: Our organization is putting efforts in collecting its bad debts from customers and trying to enhance its customer base through advertisements and different marketing strategies so adopted by the company. The company is expecting more revenue in upcoming years. There are no specific industrial or Government policies which restrict the business or growth of the company.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

6. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

7. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

8. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provisions of Section 135 of the Companies Act, 2013 do not apply to our Company. Hence the company has not developed and implemented any corporate social responsibility initiatives.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Policy on Related Party Transactions. Pursuant to section 134(3) (h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no transactions to be reported under Section 188(1) of the Companies Act, 2013.

11. AUDITORS REPORT

There were no qualifications, reservations or adverse remarks made by the Auditors in their Audit reports.

12. SECRETARIAL AUDIT REPORT

A Secretarial Audit Report given by **Dipak Maniar & Co.**, a company secretary in practice is furnished in Annexure "A" and is attached to this report.

13. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Annexure "B" and is attached to this report.

14. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure "C" and is attached to this Report.

15. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company has held 7 Board meetings during the financial year under review.

16. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively,
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary or Joint venture Company. The details of Financial performance of the associate companies are furnished in Annexure “D” and attached to this report.

18. **DEPOSITS**

Our company is a Non deposit accepting Non Banking Financial Company, during the year under review the Company has neither accepted nor renewed any deposit during the year under review.

19. **DIRECTORS**

Mr. Nitin Prabhudas Somani has completed his tenure as Managing Director of the Company as on 30.09.2016. In the 22nd Annual General Meeting, members have unanimously approved his re-appointment as Managing Director of the Company for a period of five years commencing from 1st October 2016 to 30th September 2021.

20. **DECLARATION OF INDEPENDENT DIRECTORS**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

21. **PARTICULARS OF EMPLOYEES**

Information as per Rule 5(1) of chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Information under Rule 5(1) (i) & (ii)

Name of Director	Designation	Remuneration in year 2017 (Rs. In Lacs)	Remuneration in year 2016 (Rs. In Lacs)	Remuneration of Employees (Rs. In Lacs)	% increase in remuneration during the year	Ratio of remuneration to MRE
Nitin Prabhu-das Somani	Managing Director	1.92	1.92	54.92	25.63%	3.50%

Information under Rule 5(1) (iii) & (iv)

Total number of employees during the year 2017	Total number of employees during the year 2016	Remuneration of employees in year 2017 (Rs. In Lacs)	Remuneration of employees in year 2016 (Rs. In Lacs)	% increase / (decrease) in remuneration of employees during the year
24	26	54.93	43.72	25.64%

Information under Rule 5(1) (v)

The total revenue of the company during the financial year 2017 is Rs. 127.39 Lacs compare to Rs.144.89 Lacs in the financial year 2016. The net profit earned by the company during financial year was Rs. 2.39 Lacs as compared to net loss of Rs. 52.98 Lacs in the financial year 2016 after charging contingency provision for standard assets of Rs. 6.50 (previous year Rs. 4.56 Lac)

There is no change in percentage of remuneration paid to Managing Director during the year as compare to earlier financial year. The remuneration paid to employees in the financial year 2016 was Rs.43.72 Lacs and in the year 2017 is Rs.54.93 Lacs.

Information under Rule 5(1) (vii)

Market capitalization of the company has decrease from Rs. 1555.50 Lacs at March 2016 to Rs.861.76 Lacs as at March 2017. The closing price of company's equity shares as of 31st March, 2016 and 31st March, 2017 is Rs. 14.35/- per share and Rs.7.95/- per share respectively, representing percentage decrease of 84.05% as at March 2016 and 91.17% as at March 2017 over the last offer price of Rs. 90/- per share

22. FORMAL ANNUAL EVALUATION

Clause 49 of the Listing agreement mandates that the board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The board approved the evaluation results as collated by the Nomination and remuneration committee.

23. STATUTORY AUDITORS

M/s. Sandeep Rathi & Associates, Chartered Accountants, Mumbai, was appointed as the statutory auditor of the Company for a period of 3 years. The firm has completed his tenure of an auditor of the company according to the provisions of section 139(2) and therefore the board has recommended appointment of M/s Randhir Kumar Jhunjhunwala & Co., Chartered accountants (Firm Registration No. 113675W), as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in the year 2022, subject to ratification by members at every Annual General Meeting.

None of the Directors are interested in the resolution.

24. WHISTLEBLOWER POLICY

The Board has adopted whistleblower mechanism in the company. The policy adopted by the company is attached in Annexure “D” to the report.

25. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Audit Committee consists of the following members.

- a. Mr. Manoj Kumar Padhye
- b. Mr. Vilas Shankar Daware
- c. Mr. Vishal Nanalal Buddhadev

The above composition of the Audit Committee consists of all independent Directors.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

26. **SHARES**

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

27. **CORPORATE GOVERNANCE REPORT:**

The report on Corporate Governance required as per clause 49 of the listing agreement is attached in Annexure “E” to the Board report.

28. **CORPORATE GOVERNANCE CERTIFICATE**

The certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement is attached in Annexure “F” to the report.

29. **ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

Sd/-

Nitin Somani
Managing Director
DIN : 00841378

Sonal Somani
Director
DIN: 01216993

Mumbai, September 4, 2017

Annexure “A” to the Director’s Report**FORM NO. MR- 3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED – 31.03.2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The members,

HASTI FINANCE LIMITED

No. 14, Imperial Hotel Complex,

Near Albert Cinema Hall,

Whannels Road, Egmore,

Chennai- 600 008

We have conducted the secretarial audit of the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s. Hasti Finance Ltd. (hereinafter called the Company’), Secretarial Audit was conducted in accordance with the Guidance Note issued by the Institute of Company Secretaries of India (A Statutory Body constituted under the Company Secretaries Act, 1980) and in a manner provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms, documents and returns filed and other records maintained by the Company and read with Statutory Auditors’ Report on Financial Statements and compliance of conditions of Corporate Governance and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion and to the best of our information, knowledge and belief and according to the explanations given to us, the Company has during, the audit covering the financial year ended 31.03.2017 generally complied with the applicable statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent in the manner and subject to the reporting made hereinafter.

We have examined the Company’s books papers, minute books, forms, documents and returns filed and other records maintained by the Company for the financial year ended on 31.03.2017, according to the applicable provisions of :

1. The Companies Act, 2013 (the Act) and the Rules made thereunder and the applicable provisions of the Companies Act, 2013.
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable to the Company – **As reported to us were no FDI, ODI or ECB transaction in the Company during the year under review.**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act) to the extent applicable to the Company.

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.3
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May 2015) and Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 (Effective 15th May, 2015).
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 and amendments from time to time - **Not Applicable as No new Securities were issued during the year under review.**
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulation 2014 (effective from 28th October, 2014) - **Not applicable to the Company during the Audit period.**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debts Securities) Regulation, 2008 - **Not applicable as the Company has not issued and debt securities during the year under review.**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with clients - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review.**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable as the Company has not delisted / proposes to delist its Equity Shares from any Stock Exchange during the financial year under review.**
 - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, - **Not Applicable as the Company has not bought back / proposes to buy back any of its Securities during the financial year under review**
6. The company has informed that there are no Laws, which are specifically applicable to the Company.
- We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standard with regards to the Meeting of the Board of Directors (SS -I) and General Meeting (SS - 2) issued by the Institute of Company Secretaries of India and made effective 1st July, 2015.
 - ii. The Listing Agreements entered into by the Company with the BSE Limited., Madras Stock Exchange Ltd., and Ahmedabad Stock Exchange Ltd., and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, made effective 1st December, 2015 and

During the year under review, the Company has complied with the Provisions of the Act, Rules, Regulations, Guidelines, Standards etc mentioned herein above.

We further report that as far as we have been able to ascertain. :

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the

Email : maniardipak03@gmail.com

composition of the Board of Directors that took place during the year under review, were carried out in compliance with the Provisions of the Act.

2. The adequate Notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the Meeting and for meaningful participation at the meeting.
3. All the majority decisions at the Board Meeting and Committee Meeting are carried out unanimously as recorded in the Minutes of the Meeting of the Board of Directors or Committee of the Board as the case may be. Therefore, there are no dissenting Members' views to be captured and recorded as part of the Minutes.

We further report that based on review of Compliance mechanism established by the Company and on the basis of the Compliance Certificate issued by the Company Secretary and taken on record by the Board of Directors at their Meeting(s), we are of the opinion that there are adequate systems and processes in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable Laws, Rules, Regulations and Guidelines.

As informed, the Company has responded appropriately to the Notices received from the various Statutory/ Regulatory Authorities including initiating proper actions for corrective measures wherever found necessary.

We further report that during the audit period, the Company has the following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidance, standards, etc. :-

- The Company has not appointed the whole time Company Secretary after 19.11.2014 till date even it is compulsory and mandatory for Listed Company to have Company Secretary under Section 203 of the Companies Act, 2013.

For D. Maniar & Co.

Sd/-

(DIPAK MANIAR)

Practising Company Secretary

M. 3749, CP 2904

Mumbai, Dated 30th May, 2017

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

"ANNEXURE A"

The Members,

HASTI FINANCE LTD.

No. 14, Imperial Hotel Complex,

Near Albert Cinema Hall,

Chennai- 600 008

Our Report of even date is to be read with this letter

1. The Company's Management is responsible for preparation and maintenance of Secretarial records and for devising proper systems to ensure compliance with the Provisions of applicable Laws and Regulations. Our responsibility is to express an opinion on these Secretarial Records, standards and procedures followed by the Company with respect to Secretarial Compliance based on our Audit.
2. We have followed the audit practise and processes as were appropriate to obtain reasonable assurance about the fairness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of Laws, rules and Regulations and happening of events etc.
5. The compliance of the Provisions of the Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis to the extent applicable to the company.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For D. Maniar & Co.

Sd/-

(DIPAK MANIAR)

Practising Company Secretary

M. 3749, CP 2904

Mumbai, Dated 30th May, 2017

Annexure “B” to the Director’s Report

For the year ended 31st March 2017

COMPANY’S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

➤ NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) Such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective:

The objective of the policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee:

The Role of the Nomination and Remuneration Committee will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his/her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as whole time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of Seventy years with the approval of shareholders by passing a special resolution.

TERMS/TENURE

a) Managing Director/Whole time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An independent director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re appointment on passing of special resolution by the company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such independent Director shall be eligible for appointment after expiry of three years of ceasing to become an independent Director.

Provided that an independent Director Shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed Companies as an Independent Director in case such person is serving as a whole time Director of a listed company or such number as may be prescribed under the Act.

EVALUATION

The committee shall carry out evaluation of performance of Director, KMP and senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The committee may recommend with reasons recorded in writing, removal of a Director, KMP or senior Management personal personnel subject to the provisions and compliance of the Companies Act, 2013 rules and regulations and the policy of the company.

RETIREMENT

The Director, KMP and senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1. Remuneration to Managing Director/Whole time Director:

- a) The Remuneration/commission etc. to be paid to Managing Director/Whole time Director etc. shall be governed as per provisions of Companies Act, 2013 and rules made there under or any other enactment

for the time being in force and the approvals obtained from the Members of the Company.

- b) The Nomination and remuneration committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to managing Director/Whole Time Director.

2. Remuneration to Non Executive/Independent Directors:

- a) The Non-Executive /Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non - Executive/ Independent Directors(excluding remuneration for attending meeting as prescribed under section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or Shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get stock options and also not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non Executive/ Independent Directors for Services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied.
 - i) The services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the committee, the director possesses the requisite qualification for the practice of that profession.

- e) The Compensation committee of the company, constituted for the purpose of administering the Employee Stock Option/Purchase schemes, shall determine the stock options and other share based payments to be made to Directors(other than independent Directors)

3. Remuneration to key Managerial Personnel and senior Management:

- a) The remuneration to Key Managerial personnel and senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Compensation Committee of the company, constituted for the purpose of administering the Employee stock option/purchase Scheme, shall determine the stock options and other share based payments to be made to key Managerial Personnel and senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to provident Fund, Contribution to pension fund, pension Scheme, etc. as decided from time to time.
- d) The incentive pay shall be decided based on the balance between performance of the company and performance of the key Managerial personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The committee may issue guideline, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The committee may delegate any of its powers to one or more of its members.

Form No. MGT -9**EXTRACT OF THE ANNUAL RETURN**As on Financial Year ended 31st March 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	:	L65191TN1994PLC028333
ii.	Registration Date	:	16/08/1994
iii.	Name of the Company	:	HASTI FIANCNE LIMITED
iv.	Category / Sub-Category of the Company	:	Company Limited by Share
v.	Address of the Registered office and Contact details of the Company	:	No. 14, Imperial Hotel Complex, Near Albert Cinema Hall, Whannels Road, Egmore, Chennai – 600 008, Tamil Nadu, India.
vi.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	:	Big Share Services Private Limited , E-2 & 3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai 400072. Website: www.bigshareonline.com ; Email Id: Babu@Bigshareonline.Com Tel No-022 40430200 Fax No-022-28475207

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Financing	649	100%
2			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. NO	Name and Address of The Company	CIN /GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Finex Express Cargo Private Limited	U63013MH2007 PTC166793	Associate	50%	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	increase/ (decrease)	increase/ (decrease)
A. Promoters										
1) Indian										
a) Individual/ HUF	4948064	0	4948064	45.65	4948064	0	4948064	45.65	0	0
b) Central Govt										
c) State Govt(s)										
d) Bodies Corp.										
e) Banks / FI										
f) Any Other....										
Sub-total (A) (1):-	4948064	0	4948064	45.65	4948064	0	4948064	45.65	0	0
2) Foreign										
a) NRI – Individual	0	0	0	0	0	0	0	0	0	0
b) Other – Individual	0	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0	0
d) Banks /FI	0	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	4948064	0	4948064	45.65	4948064	0	4948064	45.65	0	0
B. PUBLIC SHAREHOLDING										
1) Institutions										
a) Mutual Funds	0	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0	0

d) State Govt	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0
Sub-total (B) (1):-	0	0	0	0	0	0	0	0	0	0
2) Non Institutions										
a) Bodies Corporates										
i. Indian	407343	1100	408443	3.77	396618	1100	397718	3.67	(10725)	(0.1)
ii. Overseas	0	0	0	0	0	0	0	0	0	0
b) Individuals										
i. Individual shareholders holding nominal share capital upto Rs.1 lakhs	332341	253310	585651	5.40	567741	273310	841051	7.76	255400	2.36
ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakhs	4745765	150700	4896465	45.17	4519917	128700	4648617	42.88	(247848)	(2.29)
c) Others (specify)										
i. Clearing members	493	0	493	0.00	3517	0	3517	0.03	3024	0.03
ii. Hindu undivided Family	0	0	0	0	0	0	0	0	0	0
iii. Non-resident Indian	614	0	614	0.01	763	0	763	0.01	149	0
Sub-total (B) (2):-	5486556	405110	5891666	54.35	5488556	0	5891666	54.35	0	0
Total Public Shareholding B= B(1) +B(2)	5486556	405110	5891666	54.35	5488556	0	5891666	54.35	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	10434620	405110	10839730	100	10434620	405110	10839730	100	0	0

ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares held	% of total Shares	% of shares pledged / encumbered to	No. of Shares held	% of total Shares	% of shares pledged / encumbered to	
1.	Nitin P Somani	2021896	18.65	0	2021896	18.65	0	0
2	Sonal N Somani	2579668	23.80	0	2579668	23.80	0	0
3.	Manoj P Somani	247500	2.28	0	247500	2.28	0	0
4.	Lucky Manoj Somani	99000	0.92	0	99000	0.92	0	0
	Total	4948064	45.65	0	4948064	45.65	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4948064	45.65	4948064	45.65
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	0	0	4948064	45.65
	At the end of the year	4948064	45.65	4948064	45.65

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Satish Kumar				
	At the beginning of the year	247500	2.28	247500	2.28

	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	0	0	247500	2.28
	At the end of the year	247500	2.28	247500	2.28
2.	Anil Motiram Chavan				
	At the beginning of the year	247500	2.28	247500	2.28
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	0	0	247500	2.28
	At the end of the year	247500	2.28	247500	2.28
3.	Salim Ismail Shaikh				
	At the beginning of the year	247500	2.28	247500	2.28
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	0	0	2475000	2.28
	At the end of the year	247500	2.28	247500	2.28
4.	Vijay Singh				
	At the beginning of the year	237600	2.19	237600	2.19

	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	0	0	237600	2.19
	At the end of the year	237600	2.19	237600	2.19
5.	Bandu Ingole				
	At the beginning of the year	237600	2.19	237600	2.19
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	0	0	237600	2.19
	At the end of the year	237600	2.19	237600	2.19
6.	Pankaj Kumar Singh				
	At the beginning of the year	198000	1.83	198000	1.83
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	0	0	198000	1.83
	At the end of the year	198000	1.83	198000	1.83
7	Nilesh Ratilal Gantra				
	At the beginning of the year	188100	1.74	188100	1.74

	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	0	0	188100	1.74
	At the end of the year	188100	1.74	188100	1.74
8.	Chottu Sharma				
	At the beginning of the year	188100	1.74	188100	1.74
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	0	0	188100	1.74
	At the end of the year	188100	1.74	188100	1.74
9.	Sangeetha Singh				
	At the beginning of the year	188100	1.74	188100	1.74
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	0	0	188100	1.74
	At the end of the year	188100	1.74	188100	1.74
10.	Bluesky Couriers and cargo Private Limited				
	At the beginning of the year	128700	1.18	128700	1.18

	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	0	0	128700	1.18
	At the end of the year	128700	1.18	128700	1.18

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the company
	Manoj Kumar Padhy				
	At the beginning of the year	44000	0.41	44000	0.41
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.	0	0	44000	0.41
	At the end of the year	44000	0.41	44000	0.41

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year	0	0	0	0
• Addition				
• Reduction				
Net Change	0	0	0	0
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Nitin Prabhudas Somani (Managing Director)	Rs.
1.	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,92,000	1,92,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil
5.	Others, please specify	Nil	Nil
	Total (A)	1,92,000	1,92,000
	Ceiling as per the Act	N.A	N.A

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	Nil	Nil
	Total (1)	Nil	Nil
	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	Nil	Nil
	Total (2)	Nil	Nil
	Total (B)=(1+2)	Nil	Nil
	Total Managerial Remuneration	1,92,000	1,92,000
	Overall Ceiling as per the Act		

B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5.	Others, please	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishments/ Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give Details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

ANNEXURE “D” TO DIRECTOR’S REPORT

FOR THE YEAR ENDED 31.03.2017

WHISTLEBLOWER POLICY

As part of our corporate governance practices, the Company has adopted the Whistleblower policy that covers our directors and employees. The policy is also available on our website, www.hastifinnace.com

The purpose of this policy

Hasti Finance Limited is committed to complying with the laws that apply to them, satisfying the Company's Code of Conduct and Ethics, and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. If potential violations of Company policies or applicable laws are not recognized and addressed promptly, both the Company and those working for or with the Company could face governmental investigation, prosecution, fines, and other penalties. That can be costly. Consequentially, and to promote the highest ethical standards, the Company will maintain a workplace that facilitates the reporting of potential violations of Company policies and applicable laws. Employees must be able to raise concerns regarding such potential violations easily and free of any fear of retaliation. That is the purpose of this policy.

Your duty to report

Everyone is required to report to the Company any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct and Ethics. It is important that you report all suspected violations. This includes possible accounting or financial reporting violations, insider trading, bribery, or violations of the anti-retaliation aspects of this Policy. Consult the Company's Code of Conduct and Ethics for a more detailed description of potential violations and other areas of particular concern. Retaliation includes adverse actions, harassment, or discrimination in your employment relating to your reporting of a suspected violation.

It is the policy of the Company that you must, when you reasonably suspect that a violation of an applicable law or the Company's Code of Conduct and Ethics has occurred or is occurring, report that potential violation. Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company policies or applicable laws. You should not fear any negative consequences for reporting reasonably suspected violations because retaliation for reporting suspected violations is strictly prohibited by Company policy.

Failure to report any reasonable belief that a violation has occurred or is occurring is itself a violation of this Policy and such failure will be addressed with appropriate disciplinary action, including possible termination of employment.

How to report

You must report all suspected violations to (i) your immediate supervisor or (ii) anonymously, by sending an email to : hastifinanceltd@gmail.com. If you have reason to believe that your immediate supervisor or any other Officer is involved in the suspected violation, your report may be made to the Audit Committee of the company.

Because you have several means of reporting, you need never report to someone you believe may be involved in the suspected violation or from whom you would fear retaliation.

Your report should include as much information about the suspected violation as you can provide. Where possible, it should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the suspected violation; and the time frame during which the suspected violation occurred. Where you have not reported anonymously, you may be contacted for further information.

Investigations after you report

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company policy.

Retaliation is not tolerated

No one may take any adverse action against any employee for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's Code of Conduct and Ethics. The Company takes reports of such retaliation seriously. Incidents of retaliation against any employee reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible, including possible termination of employment. Those working for or with the Company who engage in retaliation against reporting employees may also be subject to civil, criminal and administrative penalties.

Document retention

All documents related to reporting, investigation and enforcement pursuant to this Policy shall be kept confidential and in the safe custody of the concerned authorized person.

Modification

The Audit Committee or the Board of Directors of the company can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with federal, state or local regulations and / or accommodate organizational changes within the Company.

Sd/-
Nitin Somani
Managing Director
DIN : 00841378

ANNEXURE “E” TO DIRECTOR’S REPORT

REPORT ON CORPORATE GOVERNANCE

(Pursuant to regulation 34(3) and 53(f) of Listing Obligation and Disclosure Regulation, 2015)

COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

The Company recognizes its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of Corporate Governance. The Company’s activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them by adopting the best practices.

The Company believes that good corporate governance practices enable the management to direct and control the affairs of the Company in an efficient manner and to achieve the Company’s goal of maximizing value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a leading financial services company in India, while upholding the core values of transparency, integrity, honesty and accountability.

Our corporate Governance report ensures effective engagement with our stakeholders and help us evolve with changing times. Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the company.

Our corporate governance philosophy is based on the following principles:-

- Corporate Governance standards should satisfy both the spirit of the law and the letter of the law.
- Ensure transparency and maintain a high level of disclosure.
- Communicate externally and truthfully about how the company is run internally.
- Comply with the laws of all countries in which we operate.
- The management is the trustee of the shareholder’s capital and not the owner.

We firmly believe that Board independence is essential to bring objectivity and transparency in the management and in the dealings of the Company. As on March 31, 2017, the Board consists of 5 members out of which three members are independent directors. An independent director is nominated as the chairperson of each of the audit, nomination and remuneration, Shareholders grievances committee.

BOARD OF DIRECTORS

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board. As on 31st March, 2017, the Board consists of 5 members, two of whom are executive directors and three are non executive directors.

A. Composition of Board, and directorships held as on March 31, 2017

Name of Director	Category of Directorship	No of Board meetings attended by director	Whether last AGM attended	Director-ship in other Companies including private companies in India	No. of Committees in which Chairman/ Member (other than Hasti Finance Ltd.)	
					Member	Chairman
Nitin P. Somani	Managing Director (Promoter)	7	Yes	16	NIL	NIL
Sonal N. Somani	Executive Director (Promoter)	7	Yes	7	NIL	NIL
Vilas Shankar Daware	Non Executive, Independent Director	6	Yes	NIL	NIL	NIL
Vishal Nanalal Buddhdev	Non Executive, Independent Director	6	Yes	NIL	NIL	NIL
Manoj Kumar Padhy	Non Executive Independent Director	7	Yes	2	NIL	NIL

B. Remuneration paid to Directors

Remuneration paid to Managing Director

Mr. Nitin Prabhudas Somani Rs. 192000/- p.a.

None of the non-executive directors is paid any remuneration.

Except Mr. Manoj Padhy holding 44,000 shares aggregating to 0.41% of shares of the company, none of the non executive director holds any share in the company.

C. Directors Relationship inter-se:

Mrs. Sonal Nitin Somani is wife of Mr. Nitin Prabhudas Somani. None of the other directors have any relations inter-se.

D. Board meetings:

Seven Board Meetings were held during the Financial Year 2016-2017. The dates on which the said meetings were held are as follows:

13.04.2016; 30.05.2016; 13.07.2016; 14.08.2016; 02.09.2016; 14.11.2016 and 14.02.2017

All the directors have made necessary disclosures about the committee positions, they occupy in other companies.

Information required under clause 49 VI A of the Listing Agreement:

The particulars of Directors, who are proposed to be re-appointed at this Annual General Meeting, are given below, as required pursuant to clause 49 of the Listing Agreement:

Name of the Director	MANOJ KUMAR PADHY
DIN	03426213
Age	44 years
Date of first appointment	04/08/2012
Qualifications	Bachelor of Commerce, Master of Commerce & MBA in Finance
Expertise in specific functional areas	Finance
Terms and conditions of appointment or reappointment	Nil
Details of remuneration last drawn (FY 2016-2017)	Nil
Directorships in other Public Limited Companies (excluding foreign companies, private companies & Section 8 companies)	No
Membership of committees/ Chairmanship in other Public Limited Companies	Not applicable
No of Board Meetings attended during the year	6 meetings
No. of shares held	
(a) Own	44,000 shares
(b) For other persons on a beneficial basis	Nil

E. Code of Conduct:

The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The Board members and senior management personnel have affirmed compliance with the said code of conduct. The Code of conduct is also hosted on the website of the company.

BOARD COMMITTEES

Currently the company has four committees i.e. Audit Committee, Nomination & remuneration Committee, Share holders grievances committee.

I. AUDIT COMMITTEE:

Our Audit Committee comprises of following three Directors as on 31.03.2017.

1. Mr. Manoj kumar Padhy-Chairman, Non executive and Independent Director
2. Mr. Vilas Daware – Non executive and Independent Director
3. Mr. Vishal Budhdev- Non executive and Independent Director

Mr. Manoj Kumar Padhy, non-executive and Independent Director is the Chairman of the Audit Committee. The members of the Committee have the relevant experience in the field of finance, taxation and accounting.

The Audit Committee reviewed financial results for the year under Corporate Governance.

The powers and role of the Audit Committee over the matters specified under Clause 49 of the Listing Agreement such as monitoring the Company's financial reporting process, recommending the appointment/ re-appointment of statutory auditors; reviewing with the management annual financial statements; quarterly financial statements and matters as covered under role of audit committee in Clause 49. The audit committee has powers interalia, to investigate any activity within its terms of reference and to seek outside legal and professional advice.

4 meeting(s) of the Committee were held on 30.05.2016; 14.08.2016, 14.11.2016 and 14.02.2017 during the financial year.

The attendance of each member of the Audit Committee in the meeting is given below:

Name of the Director	No. of Meetings attended
1. Manoj Kumar Padhy	4
2. Mr. Vilas Daware	4
3. Mr. Vishal Buddhdev	4

II. NOMINATION AND REMUNERATION COMMITTEE

Our Nomination and remuneration committee comprises of 3 directors as on 31st March, 2017.

1. Mr. Manoj Padhy-Chairman, Non executive and Independent Director
2. Mr. Vilas Daware – Non executive and Independent Director
3. Mr. Vishal Buddhdev- Non executive and Independent Director

In accordance with the requirements of section 178 of the Companies Act, 2013 and revised clause 49 of the listing agreement with the BSE Limited the Board has constituted Nomination and Remuneration Committee. The purpose of the committee is to oversee the nomination process for the top level management and the executive remuneration structure. The committees identifies, screens and reviews individuals qualified to serve as executive directors, non executive directors and independent directors consistent with criteria approved by the Board and recommends, for the approval by the Board nominees for the election at the AGM. The committee will review and discuss all matters pertaining to candidates and will evaluate the candidates in accordance with a process that it sees fit, passing on the recommendations to the Board. The committee coordinates and oversees the annual self-evaluation of the Board and of the individual Director.

During the year 4 meetings of the nomination and remuneration committees were held on 15.04.2016; 13.07.2016; 15.10.2016 and 14.01.2017

The attendance of each member of the Nomination and Remuneration Committee in the meeting is given below:

Name of the Director	No. of Meetings attended
1. Mr. Vilas Daware	4
2. Mr. Manoj Padhy	4
3. Mr. Vishal Buddhdev	4

III. SHAREHOLDER'S GRIEVANCES COMMITTEE

The company has the mandate to review and redress shareholder grievances.

Our stakeholders relationship committee comprised of three independent directors as on 31st March, 2017.

1. Mr. Manoj Padhy-Non executive and Independent Director
2. Mr. Vilas Daware – Chairman, Non executive and Independent Director
3. Mr. Vishal Buddhdev- Non executive and Independent Director

The committee had four meetings during the year ended 31st March, 2017 on 15.04.2016; 13.07.2016; 15.10.2016 and 14.01.2017.

The attendance of each member of the Shareholders Grievances Committee in the meeting is given below:

Name of the Director	No. of Meetings attended
1. Mr. Vilas Daware	4
2. Mr. Manoj Padhy	4
3. Mr. Vishal Buddhdev	4

WHISTLE BLOWER POLICY

The board has adopted the Whistle Blower policy during the year. The company had established a mechanism for directors and employees to report concerns about unethical behavior, actual or

suspected fraud or violation of our code of conduct and ethics. It also provides for adequate safeguards against the victimization of directors and employees who avail of the mechanism, and allows direct access to the chairperson of the audit committee in exceptional cases. We further affirm that no director or employee has been denied access to the audit committee during fiscal 2017.

GENERAL BODY MEETING

Location and time for last three Annual General Meetings:

Year	Location	Date	Time	Special Resolution	Postal ballot
2013-2014	No. 14, Imperial Hotel Complex, Whannels Road, Egmore, Chennai - 600008, Tamil Nadu	29/09/2014	11.30 a.m	N.A	N.A
2014-2015	No. 14, Imperial Hotel Complex, Whannels Road, Egmore, Chennai - 600008, Tamil Nadu	30/09/2015	11.30 a.m.	N.A.	N.A.
2015-2016	No. 14, Imperial Hotel Complex, Whannels Road, Egmore, Chennai - 600008, Tamil Nadu	30/09/2016	11.30 a.m.	N.A.	N.A.

No postal ballots were used for voting at these meetings.

DISCLOSURES

i. Related parties Transaction:

During the financial year ended 31st March 2017, the company has not entered into any material related party transactions.

ii. Statutory Compliance, Penalties and Structures:

No penalties have been imposed on the company by the SEBI, Stock Exchange, Registrar of the Company and/ or any other statutory Authority in any manner related to Capital market.

iii. Compliance with Mandatory requirement:

The company has complied with all the applicable mandatory requirements of the revised Clause 49 of the listing Agreement.

iv. Management:

A separate report on Management Discussion and Analysis which forms part of the report is annexed.

MEANS OF COMMUNICATION

The quarterly report, along with additional information and official news releases are posted on our website, www.hastifinance.com. There were no presentations made to the institutional investors or analysts.

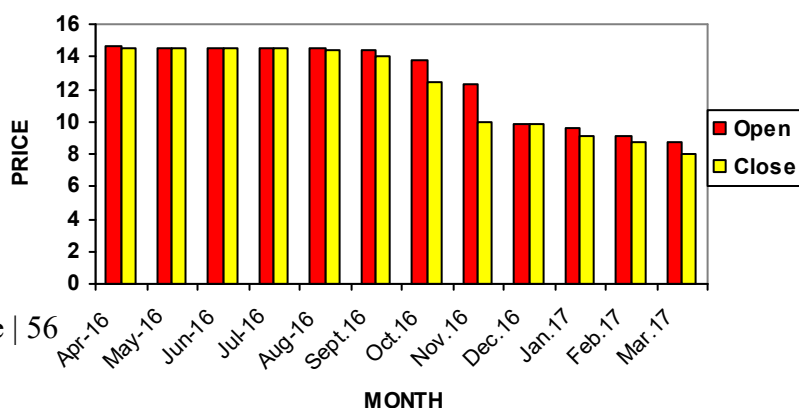
GENERAL SHAREHOLDERS' INFORMATION

1. Annual General Meeting
 - Date & Time : 30th September, 2017 at 12:30p.m
 - Venue : No. 14, Imperial Hotel Complex,
Near Albert Cinema Hall,
Whannels Road,
Egmore, Chennai- 600 008,
Tamil Nadu
2. Financial Year : **2016-2017**
3. Date of Book Closure : 24th September, 2017 to 30th September, 2017
4. Dividend Payment Date : Not Applicable
5. Listing on stock :
 - The BSE Limited
 - Madras Stock Exchange Limited
 - Ahmedabad Stock Exchange Limited
6. Stock Code : 531387 (at BSE)
7. Market Price Data :

From 01.04.2016 to 31.03.2017

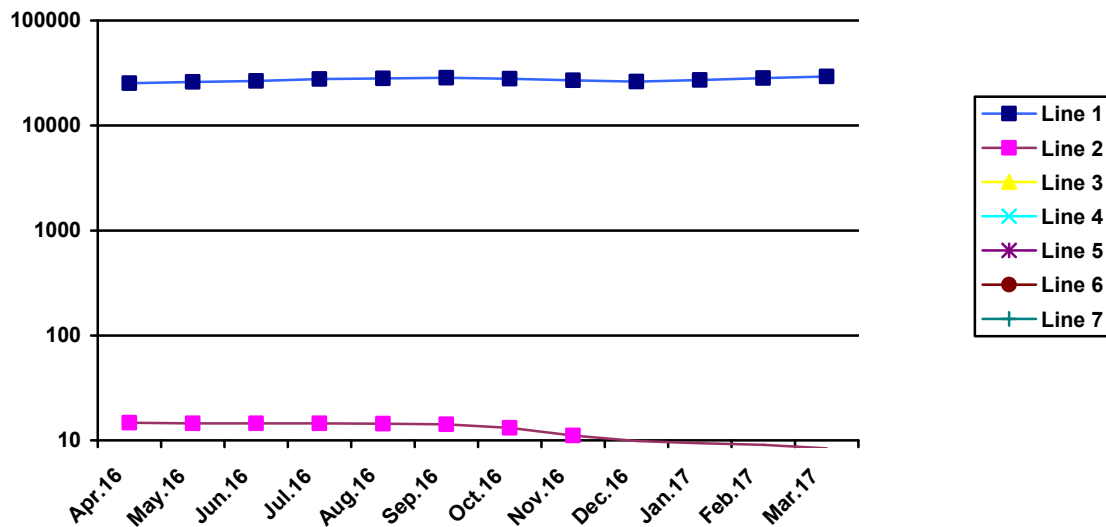
Month	Open Price	High Price	Low Price	Close Price
Apr 16	14.6	14.85	14.5	14.5
May 16	14.5	14.5	14.5	14.5
June 16	14.5	14.5	14.5	14.5
July 16	14.5	14.5	14.5	14.5
Aug 16	14.5	14.5	14.35	
Sep 16	14.35	14.35	14.07	14.07
Oct 16	13.79	13.79	12.49	12.49
Nov 16	12.25	12.25	10	10
Dec 16	9.85	9.85	9.85	9.85
Jan 17	9.66	9.66	9.11	9.11
Feb 17	9.15	9.33	8.8	8.8
Mar 17	8.8	8.8	7.95	7.95

PRICE MOVEMENT



8. Comparison of Average Price and Sensex

Index Comparison



9. Registrar and Transfer Agents

Big Share Services Private Limited

Address:

E-2 & 3, Ansa Industrial Estate,
SakiVihar Road,
Sakinaka, Andheri East
Mumbai-400072

Tel No: 022-40430200

Fax No: 022-28475207

www.bigshareonline.com

Email Id: rajeshm@bigshareonline.com

10. Share Transfer System

For matters regarding shares transferred in physical form, share certificates, dividends, and change of address, shareholders should communicate with our registrar and share-transfer agent.

Share transactions are simpler and faster in electronic form. After a confirmation of a sale/ purchase transaction from the broker, shareholders should approach the depository participant with a request to debit or credit the account for the transaction. The depository participant will immediately arrange to complete the transaction by updating the account. There is no need for a separate communication to the Company to register the transfer.

11. Distribution of shareholding as on 31st March, 2017

Particulars	No. of shares held	Percentage to total share capital
Clearing Members	8330	0.077
Corporate Bodies	86615	0.799
Non Residents Indians	763	0.007
Promoters	4948064	45.647
General Public	5795958	53.470
Total	10839730	100.000

- Outstanding GDRs / ADRs/ Warrants or any convertible instruments conversion date and likely impact on equity : **Not Applicable**

12. Dematerialization of shares and Liquidity

The Company holds its shares in dematerialize form with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).

13. Address for Correspondences

Registrar and Share Transfer Agents :
Big Share Services Private Limited
 E-2 & 3, Ansa Industrial Estate,
 SakiVihar Road,
 Sakinaka, Andheri East
 Mumbai-400072
 Tel No: 022-40430200
 Fax No: 022-28475207
www.bigshareonline.com
 Email Id: rajeshm@bigshareonline.com

Registered Office
 No. 14, Imperial Hotel Complex, Whannels
 Road, Egmore, Chennai - 600008,
 Tamil Nadu
 Ph.No. +91-8655458399
hastifinanceltd@gmail.com
www.hastifinance.com

CEO/CFO Certification

As required by Regulation 17(8), the *CEO and CFO certification* is provided in this Annual Report.

Declaration

As provided Listing Obligation Disclosure Regulation, 2015 the Board members and the senior management personnel have affirmed compliance with the Code of Conduct for the Board of Directors and senior management for the year ended 31st March, 2017.

Mumbai, May 30th, 2017

FOR HASTI FINANCE LIMITED

Sd/-

NITIN P SOMANI
MANAGING DIRECTOR
DIN : 00841378

**ANNEXURE “F” TO DIRECTOR’S REPORT
FOR THE YEAR ENDED 31.03.2017**

MANAGEMENT DISCUSSION AND ANALYSIS

The company is a public limited company carrying on business of providing financial services to the public. Company has its registered office in Chennai, Tamilnadu. The company is listed on BSE Limited, Ahmadabad Stock Exchange Limited & Madras Stock Exchange Limited. Financial statements of the company are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP). GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘the Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied, except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

INDUSTRY STRUCTURE AND DEVELOPMENT:

Hasti Finance Limited is a Non Deposit Accepting Non Banking Finance Company. The main functions of the company are to offer loans to its customers i.e. both retail customers and corporate customers. The company is engaged in providing personal loan as well as gold loan. The organization is making efforts to increase the business of the company by expanding its customer base in different areas.

OPPORTUNITY AND THREATS, OUTLOOK, RISK AND CONCERNS:

The company is a finance company and the financing is a fast growing industry in the present scenario. It also involves high level of risk and competition in the market and to overcome such situations the company is adopting different types of marketing strategies to enhance its business activities.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has adequate internal control system with regard to purchase of fixed assets, investment, income, etc. The internal control system is supplemented by well documented policies and guidelines which are periodically reviewed by the top management.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the year, the Income of the Company was Rs.136.19 Lacs (including Long Term Capital Gain on sale of Investment) and the Profit after Tax was Rs.2.37 Lacs (Previous Year: Income Rs.145.61 Lacs and Loss after Tax of Rs.52.33 Lacs). The Company’s Net Worth as on March 31, 2017 stood at Rs. 2505.57 Lacs as against 2503.21 Lacs last year.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The industrial relations during the year continued to be cordial. The Company is committed to provide necessary human resource development and training opportunities to equip them with the required modern skill and knowledge.

INVESTMENT IN OTHER COMPANY:

During the year Company has not made any investment in other Body Corporate.

The Company has investments in following companies:

1. Spider Prints Private Limited
2. Spider Display Systems Private Limited
3. Finex Express Cargo Private Limited
4. Shirish Express Logistics Private Limited
5. Fast Train Cargo Limited

CAUTIONARY STATEMENT:

Statements in the Management's Discussion and Analysis describing the Company's projections, estimates expectations or predictions within the meaning of applicable securities laws and regulations. These forward looking statements are based on certain assumptions and expectations of future events over which the Company exercises no control. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. Actual results may differ materially from such estimates, projections, etc. whether expressed or implied.

FORWORD LOOKING STATEMENT:

Company is planning to expand its business by enhancing its customer base and by adopting different marketing strategies to capture huge market area.

FOR HASTI FINANCE LIMITED

Sd/-

Mumbai, May 30th, 2017

**NITIN P. SOMANI
MANAGING DIRECTOR
DIN : 00841378**

**ANNEXURE “G” TO DIRECTOR’S REPORT
FOR THE YEAR ENDED 31.03.2017**

CEO CERTIFICATION

To,
The Board of Directors
Hasti Finance Limited
Chennai

I, Nitin Somani, Chief Executive Officer and Managing Director of Hasti Finance Limited, to the best of my knowledge and belief, certify that:

1. I have reviewed the Balance Sheet and Profit and Loss account, and all the schedules and notes on accounts, as well as the Cash Flow statements, and the Directors' report.
2. Based on my knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made.
3. Based on my knowledge and information, the financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. To the best of my knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
5. I am responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and I have:
 - a. Designed such disclosure controls and procedures to ensure that material information relating to the Company, is made known to me by others within those entities, particularly during the period in which this report is being prepared.
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP).
 - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
 - d. Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

6. I have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors (and persons performing the equivalent functions) :
- a. There were no deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b. There were no significant changes in internal controls during the year covered by this report.
 - c. All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
 - d. There were no instances of fraud of which I am aware, that involve the Management or other employees who have a significant role in the Company's internal control system
7. In the event of any materially significant misstatements or omissions, I will return to the Company that part of any bonus or incentive or equity-based compensation, which was inflated on account of such errors.
8. I affirm that I have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct).
9. I further declare that all Board members and senior managerial personnel have affirmed compliance with the Code of Conduct for the current year.

Sd/-

Mumbai, May 30th 2017

Mr. Nitin Prabhudas Somani
Managing Director
DIN : 00841378

CERTIFICATE FROM STATUTORY AUDITOR ON CORPORATE GOVERNANCE

To,
The Members of Hasti Finance Limited,

We have examined the compliance of conditions of corporate governance by HASTI FINANCE LIMITED for the year ended on 31st March 2017, as stipulated in Listing Obligation and Disclosure Regulation.

The Compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the conditions of corporate governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

As on 31st March 2017, we state that no grievances are pending for a period exceeding one month against the company as per the records maintained by the Investor's Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sandeep Rathi & Associates
Chartered Accountants

Sd/-

Sandeep Rathi
Proprietor
Firm Registration No.113728 W
Membership No. 047377
Mumbai, May 30th, 2017



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Khar (W), Mumbai 400 052.
Tel. : 2600 5888 • Res. 2625 0831 •
Mobile : 9821 238 422.
E-mail. : casandeepathi@gmail.com

INDEPNDENT AUDITORS' REPORT
TO THE MEMBERS OF
HASTI FINANCE LIMITED

We have audited the accompanying standalone financial statements of **HASTI FINANCE LIMITED** (the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



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- e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable loss ; and
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
 - iv) The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December,2016 and these are in accordance with the books of accounts maintained by the company.

For Sandeep Rathi& Associates
Chartered Accountants
(Firm Registration No: 113728W)

Sd/-
Sandeep Rathi
Proprietor
Membership Number: 047377
Mumbai, May 30, 2017



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ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of HASTI FINANCE LIMITED on the standalone financial statements for the year ended March 31, 2017.

1)

- a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- c) The Company does not own any immovable properties as disclosed in the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.

2) The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

3) The Company has granted unsecured loans, to Two companies covered in the register maintained under Section 189 of the Act.

- a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
- b) In respect of the aforesaid loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in absence of stipulation of repayment terms we do not make any comment on the regularity of repayment of principal and payment of interest.
- c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days

4) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.



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- 5) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- 6) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- 7)
 - a) According to the information and explanation given to us, except for Self Assessment Tax for A.Y. 2012-13 of Rs. 53,75,902/- and TDS payable Rs. 1,05,790/- there are no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Service Tax, Investor Education and Protection Fund, Excise Duty, Cess and any other statutory dues as at 31st March 2017 for a period of more than six months from the date of becoming payable.
 - b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax which have not been deposited on account of any dispute.
- 8) As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- 9) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- 10) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- 11) The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.



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- 12) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- 13) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies Accounts) Rules, 2014.
- 14) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- 15) The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- 16) The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934., as Non Deposit taking Company.

For Sandeep Rathi & Associates
Chartered Accountants
(Firm Registration No: 113728W)

Sd/-
Sandeep Rathi
Proprietor
Membership Number: 047377
Mumbai, May 30, 2017



ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial control over financial reporting of **HASTI FINANCE LIMITED** (the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about



whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluation the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any



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evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Sandeep Rathi & Associates

Chartered Accountants

Registration Firm No. 113728W

Sd/-

Sandeep Rathi

Proprietor

Membership No. 047377

Mumbai, May 30, 2017

HASTI FINANCE LIMITED
BALANCE SHEET AS AT 31st MARCH, 2017

Particulars	Notes	As at 31st March, 2017	As at 31st March 2016
I. EQUITY AND LIABILITIES			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	2	108,397,300	108,397,300
(b) Reserves and Surplus	3	142,160,125	141,923,242
<u>(2) Non-Current Liabilities</u>			
Long Term Provisions	4	9,482,633	8,322,383
<u>(3) Current Liabilities</u>			
(a) Trade Payables	5	448,315	226,528
(b) Other Current Liabilities	6	98,472	105,790
(c) Short-Term Provisions	7	3,498,193	3,437,485
Total Equity & Liabilities		264,085,038	262,412,728
II. ASSETS			
<u>(1) Non-Current Assets</u>			
<u>(a) Fixed Assets</u>	8		
(i) Gross Block		6,996,454	6,996,454
(ii) Depreciation		3,671,497	2,393,682
(iii) Net Block		3,324,957	4,602,772
(b) Non-current investments	9	63,833,535	64,827,116
(c) Deferred Tax Asset (Net)	10	752,058	303,988
<u>(2) Current Assets</u>			
(a) Receivable under Financing Activity	11	185,755,490	183,171,696
(b) Cash and cash equivalents	12	1,911,998	1,000,156
(c) Short-term loans and advances	13	8,507,000	8,507,000
Total Assets		264,085,038	262,412,728

The accompanying notes referred to above Form an integral part of the financial statements. This is the Balance Sheet referred to in our Report of even date

For Sandeep Rathi & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
Sandeep Rathi
Proprietor
Membership No. 047377
Firm Reg. No.: 113728 W
Mumbai, 30th May, 2017

Sd/-
Nitin Prabhudas Somani
Director
Din : 00841378

Sd/-
Sonal Nitin Somani
Director
Din : 01216993

HASTI FINANCE LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31st March, 2017

Particulars	Notes	Period ended 31st March, 2017	Year ended 31st March, 2016
Revenue from operations	14	12,738,709	14,488,875
Other Income	15	880,619	72,371
Total Revenue		13,619,328	14,561,246
Expenses:			
Employee Benefit Expenses	16	6,553,033	4,820,665
Financial Costs	17	4,464	6,156
Depreciation and Amortization Expenses	18	1,277,815	313,676
Other Administrative Expenses	19	4,488,810	8,527,662
Provisions & Contingencies	20	650,144	5,703,610
Expenses Relates to Securities	21	406,249	487,760
Total Expenses		13,380,515	19,859,529
Profit /(Loss) before tax		238,813	(5,298,283)
Add: Prior Period Item		-	-
Profit/(Loss) after Prior Period Item		238,813	(5,298,283)
Tax expense:			
Less : Current tax		450,000	155,000
Add : Deferred Tax Assets		448,070	220,008
Profit/(Loss) for the period		236,883	(5,233,275)
Earning per equity share:			
(1) Basic		0.022	(0.483)
(2) Diluted		0.022	(0.483)

The accompanying notes referred to above Form an integral part of the financial statements. This is the statement of Profit & Loss referred to in our Report of even date

For Sandeep Rathi & Associates

Chartered Accountants

For and on behalf of the Board of Director:

Sd/-

Nitin Prabhudas Somani

Managing Director

Din :00841378

Sd/-

Sonal Nitin Somani

Director

Din : 01216993

Sd/-

Sandeep Rathi

Proprietor

Membership No. 047377

Firm Registration No. 113728 W

Mumbai, 30th May, 2017

HASTI FINANCE LIMITED

NOTE '1': NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Corporate Information

Hasti Finance Limited is a Non Banking Finance Company (Non Deposit accepting company) having Registered Office at Chennai. The Company is engaged in financing activities.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements of the Company have been prepared under the historical cost convention on a going concern and accrual basis in accordance with the generally accepted accounting principles in India to comply with Accounting Standards notified under rule 7 of the companies (Accounts) Rules, 2014, the provision of Section 133 of the Companies Act, 2013 along with the applicable guidelines issue by Reserve Bank Of India ("RBI") for Non-deposit taking Non-Banking Finance Companies (NBFC-ND). Further, the company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by Reserve Bank of India (RBI) for Non-deposit taking Non-Banking Finance Companies (NBFC-ND).

1.2 Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

1.3 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company are segregated based on the available information. The Company considers all highly liquid financial instruments, which are readily convertible into cash, to be cash equivalents.

1.4 Revenue Recognition:

a. Income on Loan transactions

Interest from interest-bearing assets is recognised on accrual basis. Interest and other dues in the case of nonperforming loans is recognised upon realisation, as per the income recognition and asset classification norms prescribed by the RBI. Unrealised interest recognised as income in the previous period is reversed in the month in which the loan is classified as Non Performing.

b. Income from Current and Long-term Investments

Income from dividend on shares of corporate bodies and units of mutual funds is accounted on accrual basis when the Company's right to receive dividend is established.

Interest income on bonds and deposits is recognised on accrual basis.

1.5 Provisions for Standard/Non Performing Assets and Doubtful Debts

The Company provides an allowance for loan receivables based on the prudential norms issued by the RBI relating to income recognition, asset classification and provisioning for non- performing assets. In respect of loans, where interest is not serviced, provision for diminution is made as per the parameter applicable to Non-Performing Advances. Provision on restructured loans & advances is made as per agreement and contract with the party. In addition the Company provides for Standard Assets as required by the directions issued by RBI.

1.6 Investments

Long Term investments are valued at cost. Diminution in value if any, which is of a temporary nature, is not provided.

1.7 Fixed Assets

Fixed assets are recorded at the cost of acquisition. Cost includes all identifiable expenditure incurred to bring the assets to its present condition and location.

1.8 Depreciation

Depreciation on fixed assets is calculated on a written down value method for useful life of respective fixed assets as prescribed in Schedule II of the companies Act, 2013.

1.9 Leases

Leases are classified as operating lease where significant portion of risk and reward of ownership of assets acquired under lease are retained by the lessor.

1.10 Taxes

Current tax provision has been determined on the basis of relief, deductions etc. available under the Income Tax Act, 1961. Deferred tax is recognized for all timing differences, subject to the consideration of prudence.

1.11 Gratuity / Retirement Benefits

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods. This benefit is discounted to determine its present value.

The present value of the obligation under such benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method which recognizes each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

Actuarial gains and losses are recognized immediately in the profit and loss account

1.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements

1.13 Impairments

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any indications exist, the assets recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on average pre-tax borrowing rate of the country where the assets are located, adjusted for risks specific to the asset.

After impairment, depreciation is provided on the assets revised carrying amount over its remaining useful life. A previously recognized impairment loss is increased or decreased depending on changes in circumstances. However, an impairment loss is not decreased to an amount higher than the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized in the prior year.

1.14 Earnings per share

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20-Earnings Per Share. Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity share holders by the weighted average number of equity share outstanding during the year. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the reporting period. Diluted earning per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding as at the end of the reporting period.

1.15 Cash flow statement

The cash flow statement is prepared in accordance with indirect method as explained in the Accounting Standard on cash flow statements (AS) 3 issued by the institute of Chartered Accountants Of India.

1.16 Cash and cash equivalents

Cash and Bank Balances that have insignificant risk of change in value including term deposits, which have original durations up to three months, are included in cash and cash equivalents in the cash flow statement.

HASTI FINANCE LIMITED

Notes to the Financial Statements for the period ended 31st March, 2017

Note : 2 Share Capital

Sr. No	Particulars	Number of Shares	As at 31st March, 2017	Number of Shares	As at 31st March, 2016
A	<u>AUTHORIZED CAPITAL</u> 1,20,10,000 Equity Shares of Rs.10/- each	12,010,000	120,100,000	12,010,000	120,100,000
		12,010,000	120,100,000	12,010,000	120,100,000
B	<u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u> Equity Shares of Rs.10/- each fully paid up with Voting rights	10,839,730	108,397,300	10,839,730	108,397,300
		10,839,730	108,397,300	10,839,730	108,397,300
C	Reconciliation of the number of Shares outstanding Equity Shares	As at 31st March, 2017		As at 31st March, 2016	
		Number of Shares		Number of Shares	
	Shares outstanding at the beginning of the year	10,839,730	108,397,300	10,839,730	108,397,300
	Shares issued during the year				
	Bonus Shares issued during the year				
	Shares outstanding at the end of the year	10,839,730	108,397,300	10,839,730	108,397,300
D	Details of Shareholders holding more than 5% Shares in the company	As at 31st March, 2017		As at 31st March, 2016	
		Nos.	% holding in the class	Nos.	% holding in the class
	Equity Shares of Rs. 10/- each fully paid up				
	Nitin Pabhudas Somani	2,021,896	18.65	2,021,896	18.65
	Sonal Nitin Somani	2,579,668	23.80	2,579,668	23.80

Note : 3 Reserve & Surplus

A	Capital Reserves		1,887,000		1,887,000
B	Statutory Reserve		7,488,500		7,488,500
C	Share premium account	113,084,600		113,084,600	
	Less : Utilised for Issue of Fully Paid Bonus Shares	-	113,084,600	-	113,084,600
D	Profit & Loss Account				
	Balance brought forward from previous year	19,463,142		24,696,417	
	Add: Profit / (Loss) for the period	236,883		(5,233,275)	
		19,700,025		19,463,142	
	Less : appropriation				
	Statutory Reserve	-		-	
	Depreciation on completion of useful life of the assets	-		-	
			19,700,025		19,463,142
			142,160,125		141,923,242

HASTI FINANCE LIMITED

As on 31.03.2017

		As at 31st March, 2017		As at 31st March, 2017
Note : 4 Long-Term Provisions				
A	Contingent Provision against Standard assets	3,194,280		2,544,136
B	Contingent Provision against Sub Standard assets	5,247,700		5,247,700
C	<u>Provision For Employees Benefit s</u> Provision for Gratuity (refer Note No.35)	1,040,653		530,547
		9,482,633		8,322,383

Note : 5 Trades Payables

A	<u>Due to Related Parties</u>	-		-
B	<u>Due to others</u> Sundry Creditors for Expenses	448,315		226,528
		448,315		226,528

Note : 6 Other Current Liabilities

	Statutory Liabilities	98,472		105,790
		98,472		105,790

Note : 7 Short-Term Provisions

	Provision for Tax	3,498,193		3,437,485
		3,498,193		3,437,485

HASTI FINANCE LIMITED

Notes to the Financial Statements for the period ended 31st March, 2017

Note : 8 Fixed Asset

Sr. No	Description of Assets	Gross Block					Depreciaton				Net Block	
		Cost as on 01.04.2015	Additions during the year	Deductions during the year	Sales/ Adj. during the year	Total as on 31.03.2017	As on 01.04.2016	For the year	Sales/ Adj. during the year	Total as on 31.03.2017	As on 31.03.2017	As on 31.03.2016
I	<u>Tangible Assets</u>											
	Computer (Note 1 & 2)	954,106			-	954,106	954,106	-		-	-	-
	Furniture & Fixtures	1,975,348				1,975,348	1,439,576	225,009		1,664,585	310,763	535,772
	Office interiors	4,067,000				4,067,000	-	1,052,806		1,052,806	3,014,194	4,067,000
	Current Year	6,996,454	-	-	-	6,996,454	2,393,682	1,277,815	-	3,671,497	3,324,957	4,602,772
	(Previous Year)	2,929,454	4,067,000	-	-	6,996,454	2,080,006	313,676	-	2,393,682	4,602,772	

HASTI FINANCE LIMITED

Notes to the Financial Statements for the period ended 31st March, 2017

Note : 9 Investments

Sr. No	Particulars	As at 31st March, 2017	As at 31st March, 2016
A	LONG TERM (UNQUOTED) (valued at Cost unless stated otherwise)	Non Current	Non Current
	-Equity		
	5,000 (Previous year 5,000) shares of Rs. 10 each fully paid up in Finex Express Cargo Pvt Ltd	242,775	242,775
	1,900 (Previous year 5,000) shares of Rs. 10 each fully paid up in Shirish Express Logistics Pvt. Ltd	19,000	50,000
	1,900 (Previous year 5,000) shares of Rs. 10 each fully paid up in Spider Display Systems Pvt. Ltd.	71,760	188,841
	Nil (Previous year 5,000) shares of Rs. 10 each fully paid up in Spider Prints Pvt. Ltd.	-	845,500
	6,35,000 (Previous year 6,35,000) shares of Rs. 10 each fully paid up in Fast Train Cargo Ltd	63,500,000	63,500,000
	Total	63,833,535	64,827,116

Note : 10 Deferred Tax Assets

	Deferred Tax Assets		
	Depreciation	752,058	303,988
		752,058	303,988

Note : 11 Receivable under Financing Activity

	<u>Unsecured, Considered Good :</u>		
	Related Parties	19,331,648	24,225,177
	Others	166,423,842	158,946,519
		185,755,490	183,171,696

Note : 12 Cash & Cash Equivalent

A	Cash-in-Hand		
	Cash Balance	8,205	990,047
	Sub Total (A)	8,205	990,047
B	Bank Balance		
	Balance with Scheduled Banks		
	In current accounts	29,593	10,109
	Cheques in hand	1,874,200	-
	Sub Total (B)	1,903,793	10,109
	Total [A + B]	1,911,998	1,000,156

Note : 13 Short Terms Loans and Advances

A	Security Deposit		
	Unsecured, Considered Good	7,000	7,000
B	Balances with Government Authorities		
	Unsecured, Considered Good		
	Income Tax Payments	-	-
C	Others		
	Unsecured, Considered Good		
	Advance against Capital Investment	8,500,000	8,500,000
		8,507,000	8,507,000

HASTI FINANCE LIMITED

Notes Forming Part of the Profit & Loss Accounts as at 31st March, 2017

Note : 14 Revenue from Operations

Sr. No	Particulars	31-03-2017	31-03-2016
A	Income From Financing Activity	12,738,709	14,488,875
		12,738,709	14,488,875

Note : 15 Other Income

A	Actuarial Gain Recognised	-	72,371
	Long term Capital Gain on sale of Equity Shares	880,619	-
		880,619	72,371

Note : 16 Employment Benefit Expenses

A	Managerial Remuneration	192,000	192,000
B	Salary	5,492,880	4,372,260
C	Staff welfare Expenses	358,047	256,405
D	Actuarial Loss Recognised	510,106	-
		6,553,033	4,820,665

Note : 17 Financial Cost

A	Bank Charges	4,464	6,156
		4,464	6,156

Note : 18 Depreciation & Amortised Cost

A	Depreciation	1,277,815	313,676
		1,277,815	313,676

Note : 19 Other Administrative Expenses

A	Payment to auditors - Statutory audit	100,000	114,500
B	Advertisements	168,184	133,325
C	Electricity Charges	274,172	218,115
D	Legal & Professional Fees	803,457	414,098
E	Printing & Stationery	373,826	367,593
F	Rent	340,000	321,344
G	Repair & Maintenance - Others	383,592	348,718
H	Telephones Postage & Telegram Expenses	251,130	228,300
I	General Expenses	436,265	397,063
J	Travelling & Conveyance	764,670	471,123
K	Office Expenses	593,514	222,631
L	Interest on TDS	-	5,454
M	Non Recoverable Assets	-	5,285,398
		4,488,810	8,527,662

Note : 20 Provisions & Contingencies

A	Contingent provision against standard assets	650,144	455,910
B	Provision for NPA	-	5,247,700
		650,144	5,703,610

Note : 21 Expenses Relates to Securities

A	Depository Services Fees	101,389	125,781
B	Stock Exchanges Fees	233,674	266,010
C	Transfer Agent Fees	71,186	95,969
		406,249	487,760

HASTI FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

22. There was no amount due as on March 31, 2017, as reported to us from/ to Micro, Small & Medium Enterprises as per MSMED Act, 2006.
23. Receivables and Loan & advances made to parties are taken as available from the books of account and are subject to confirmation, wherever confirmation not received.
24. Out of the amount receivable a few accounts are in moratorium period, as per Agreement with the borrowers these amounts are recognised as income for the current financial year though not received.
25. During the year advances of Rs. Nil/- (Previous Year Rs. 52,85,398/-) were identified as loss assets and were written off. Except these all other advances, Receivables and investment made are recoverable and performing, therefore management has not made any provisions for bad or doubtful asset, however 0.35% of the Standard Assets is being provided as per the notification No. DNBS.222/CGM(US)-2011 dated 17-01-2011 issued by the Reserve Bank of India (RBI) vide its Directions to all NBFCs to make a general provision of 0.35% of the standard assets The company has made a provision of Rs 6,50,144/- (Previous Year Rs. 4,55,910/-) on the standard assets as on March 31, 2017. The amount of provision on Standard assets is shown separately as Contingent provision against Standard Assets under Long Term Provisions in the Balance Sheet. Beside this the company has provided for Rs. Nil (Previous Year Rs. 52,47,700/-) as Provision for Sub Standard Assets.
- Pursuant to section 45 IC of the Reserve Bank of India, 1934, during the year the company has transferred to Statutory Reserve Rs. Nil (Previous Year Rs. Nil).

26. Auditors Remuneration:

		2016-2017	2015-2016
For Statutory Audit	:	1,00,000	1,14,500

27. Earning Per Share as per Accounting Standard 20:

Calculation for Basic and Diluted Earnings per Share (EPS):

	Current Year	Previous Year
BASIC EARNING PER SHARE		
Net Profit/ (Loss) for the year attributable to equity shareholders (₹)	(4,53,758)	(52,33,275)
Number of equity shares outstanding as at 31st March	1,08,39,730	1,08,39,730
Weighted average No. of Shares outstanding as at 31st March 2016	1,08,39,730	1,08,39,730
EPS = Net Profit for the yr attributable to equity shareholders (₹) /Weighted average No. of Shares outstanding as at 31st March	(0.042)	(0.483)
Nominal Value of an equity share (₹)	10	10
DILUTED EARNING PER SHARE		
Net Profit for the year attributable to equity shareholders (₹)	(4,53,758)	(52,33,275)
Number of equity shares outstanding as at 31st March	1,08,39,730	1,08,39,730

Weighted average No. of Shares outstanding as at 31st March 2016	1,08,39,730	1,08,39,730
Potential Equity Share 2016	1,08,39,730	1,08,39,730
EPS = Net Profit for the yr attributable to equity shareholders (₹) /Total Weighted average No. of Shares outstanding as at 31st March (including potential shares)	(0.042)	(0.483)

28. Segment Reporting

The Company has single reportable segment "Financing Activity " for the purpose of accounting standard 17 on "Segment Reporting".

29. Related parties disclosures

Related Party Details:

	Nature of Relationship	Name
i	Key Management Person	Mr. Nitin Prabhudas Somani
ii	Associates	a) Finex Express Cargo Pvt. Ltd.
		b) Shirish Express Logistics Pvt. Ltd.
		c) Spider Prints Pvt. Ltd.
		d) Fast train Cargo Limited
		e) Spider Display Systems Pvt. Ltd.
		f) Shree Fast Courier & Cargo Pvt. Ltd.
		g) Fast Realty Private Limited
		h) First International Hotels

The Following transactions were carried out with the related parties referred in above in the ordinary course of business.

Amount In Rs Lacs

Name of the party	Spider Prints Pvt. Ltd	Finex Express Cargo Pvt Ltd	Spider Display Systems Pvt. Ltd.	Shirish Express Logistics Pvt. Ltd.	Fast Train Cargo Ltd	Nitin Somani
Relationship	Associate	Associate	Associate	Associate	Associate	Key Management Person
Loan Given	12.49 (15.90)	5.57 (6.11)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Loan recovered	58.00 (NIL)	9.00 (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Net Closing balance	129.83 (175.33)	63.49 (66.92)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Interest income	12.49 (15.90)	5.57 (6.11)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Investment in shares done during the year	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Investment in shares Closing Balance	8.46 (8.46)	2.43 (2.43)	1.89 (1.89)	0.50 (0.50)	635.00 (635.00)	NIL (NIL)
Remuneration	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	1.92 (1.92)

Note: Amount in bracket indicate previous year's figures

30. Estimated amount of contracts remaining to be executed on Capital account and not provided for Rs. 239.24 Lacs (Previous Year 239.24 Lacs).

31. The Company has taken premises on operating lease. Gross rental expenses for the year ended 31 March 2017 aggregated to Rs. 3,40,000/- (Previous Year: Rs. 3,21,344/-) which is shown under head 'Rent' of Note '19 'Other Administrative expenses' in the profit and loss account.

The company has entered into agreement in the nature of leave and license agreement with licensor. This is in the nature of leave and license and period of agreements is for one year or more and renewable / cancellable at the option of the lessee or lessor.

32. The Company has obtained the certificate of Registration from the RBI as a Non Banking Financial Institution - Non Deposit Taking on September 22, 1998 under Section 45-IA of the Reserve Bank of India Act, 1934

33. Financing activities are mostly in nature of loans repayable on demand and are unsecured. At the time of giving loan, there is no stipulation towards the period of principal repayment for which KYC norms and guidelines on Fair Practices Code are followed wherever necessary.

34. Directors Remuneration paid during the year Rs. 1,92,000/- to one of the Director Mr. Nitin Somani. (Previous year Rs. 1,92,000/-)

35. Disclosure pursuant to Accounting Standard 15(Revised)-Employee benefits

Defined contribution plan (Gratuity):

Amount of Rs. 5,10,106/- (Previous year: 72,371/-) is recognised/ considered as Income and included in "Employment Benefit Expenses - Note 16" in the profit and loss account.

Defined benefit plan (Gratuity):

The following tables summarize the components of the net benefit expenses recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for the Gratuity benefit plan.

Profit and loss account

Net employee benefit expenses (recognized in employee cost)

	31 st March 2017	31 st March 2016
Current service cost	1,93,635	1,32,637
Interest on defined benefit obligation	42,444	48,233
Expected return on plan assets	Nil	Nil
Net actuarial losses/(gains) recognized in the year	Nil	Nil
Past service cost	Nil	Nil
Actuarial (gain) or losses	2,74,028	(2,53,241)
Expense recognized in P&L	5,10,106	72,371

Balance Sheet

Details of provision for gratuity

	31 st March 2017	31 st March 2016
Liability at the end of the year	10,40,653	5,30,547
Fair value of plan assets at the end of the year	-	-
Difference	-	-
Unrecognized past service cost	-	-
Unrecognized transition liability	-	-
Amount in Balance Sheet	10,40,653	5,30,547

Changes in the present value of the defined benefit obligation are as follows.

	31 st March 2017	31 st March 2016
Liability at the beginning of the year	5,30,547	6,02,918
Interest cost	42,444	48,233
Current service cost	1,93,635	1,32,637
Past service cost (non vested benefit)	-	-
Past service cost (vested benefit)	-	-
Benefits Paid	-	-
Actuarial (gain)/loss	2,74,028	(2,53,241)
Liability at the end of the year	10,40,653	5,30,547

Principle actuarial assumptions at the balance sheet date:

	31 st March 2017	31 st March 2016
Discount rate	7.50%	8%
Salary escalation	6%	6%
Withdrawal rate	1 % per annum age related	1 % per annum age related

Asset and Liability (Balance Sheet Position) Para 120(n) of AS 15

Particulars	Valuation as at 31/03/2016	Financial Year Ending 31/03/2017
Present Value of Defined Benefit Obligations at the end	5,30,547	10,40,653
Fair Value of Plan Assets at the end	-	-
Funded Status - Deficit / (Surplus)	5,30,547	10,40,653
Unrecognized Past Service Cost	-	-
Effects of Asset Ceiling	-	-
Net Liability / (Asset) at the end of the period	5,30,547	10,40,653

Expenses recognized in the Profit and Loss Account

Particulars	Valuation as at 31/03/2016	Financial Year Ending 31/03/2017
Expense recognized in Profit and Loss Account	(72,371)	5,10,106

Experience adjustments on Present Value of Benefit Obligation and Plan Assets

Para 120(n) of AS 15

Particulars	Valuation as at 31/03/2016	Financial Year Ending 31/03/2017
(Gain) / Loss on Plan Liabilities	(2,53,241)	1,75,040
% of Opening Plan Liabilities	(42.00)%	32.99%
Gain / (Loss) on Plan Assets	-	-
% of Opening Plan Assets	0.00%	0.00%

The Company's best estimate of Contribution during the next year - INR 5,20,327/-**Benefits and Methodology**

All costs, liabilities and other factors under the Plan were determined in accordance with generally accepted actuarial principles and procedures. The calculations in this Report are consistent with my understanding of AS 15 (Revised 2005).

The Benefits Valued

The benefits valued in this Report are summarized below:

Valuation Date	31 March, 2017
Sponsoring Employer	Hasti Finance Ltd.
Type of Plan	Defined Benefit
Vesting Period	5 years
Employer's Contribution	Nil
Member's Contribution	Nil
Applicable Salary	Last drawn salary
Benefit Basis	Accrued Benefit
Normal Retirement Age	58 Years
Normal Retirement Benefit	Same as per the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time)
Benefit on Early Retirement / Termination	Same as normal retirement benefit based on the service up to the date of exit
Benefit on Death in Service	Same as normal retirement benefit and no vesting period condition applies
Benefit on Disability in Service	Same as death benefit

Maximum limit on Benefits	INR 10,00,000
Gratuity Formula	15/26 * Last drawn salary * Number of completed years of service

Actuarial Valuation Method

The valuation has been carried out using the Projected Unit Credit Method as per AS 15 (Refer paragraph 65 of AS 15) to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

Actuarial Assumptions

I have used actuarial assumptions selected by the Company. The Company has been advised that the assumptions need to be set up based on Para 73 to Para 91 of AS 15 (Revised 2005).

Financial Assumptions

The principal financial assumptions used in the valuation are shown in the Table below:

	Valuation as at 31/03/2016	Financial Year Ending 31/03/2017
Discount Rate (Per Annum)	8.00%	7.50%
Salary Growth Rate (Per Annum)	6.00%	6.00%
Expected Rate of Return on Plan Assets (Per Annum)	0.00%	0.00%

Demographic Assumptions

	Valuation Date	
Particulars	31/03/2016	31/03/2017
Mortality Rate (as % of IALM (2006-08) (Mod.)	100.00%	100.00%
Disability Rate (as % of above mortality rate)	0.00%	0.00%
Withdrawal Rate	1.00%	1.00%

Please refer Section 7 (7.2) to see how the assumptions are derived

Table of Sample Rates (on annual basis)

Attained	Perc				Percen			
	Mortality		Disability		Withdrawal		Retirement	
	Male	Female	Male	Female	Male	Female	Male	Female
2	0.09%	0.09%	0.000%	0.000%	1	1	0	0
2	0.10%	0.10%	0.000%	0.000%	1	1	0	0
3	0.11%	0.11%	0.000%	0.000%	1	1	0	0
3	0.13%	0.13%	0.000%	0.000%	1	1	0	0
4	0.18%	0.18%	0.000%	0.000%	1	1	0	0
4	0.29%	0.29%	0.000%	0.000%	1	1	0	0
5	0.49%	0.49%	0.000%	0.000%	1	1	0	0
5	0.79%	0.79%	0.000%	0.000%	1	1	0	0
6	1.15%	1.15%	0.000%	0.000%	1	1	0	0

Membership Status

The defined benefit obligation for the period ending 31/03/2017 is based on the member data provided by the Company. The summary statistics for the data is as follows:

Summary of Membership Status

Par	31/03/2016	31/03/2017
Number of Employees	17	24
Total Monthly Salary (Rs.)	3,62,500	4,57,740
Average Monthly Salary (Rs.)	21,324	19,073
Average Past Service	4.00	5.62
Average Age	30.00	31.75
Average Future Service	24.00	26.79

36. As per Notification issued by Ministry of Corporate Affairs dated 30/03/2017, regarding disclosure of specified bank notes (SBNs) held and transacted during the period from 08/11/2017 to 30/12/2017 is as under

Closing cash in hand as 08/11/2016	SBNs	Other denomination notes	Total
Closing cash in hand as 08/11/2016	56,40,000/-	-	56,40,000/-
(+) Permitted Receipts	-	3,50,000/-	3,50,000/-
(-) Amount deposited in Banks	56,40,000/-	-	56,40,000/-
(-) Permitted Payments	-	2,21,428/-	2,21,428/-
Closing cash in hand as on 30/12/2016	-	1,28,572/-	1,28,572/-

37. Information regard to other matter specified in Schedule III of Companies Act, 2013 is either nil or not applicable to the company for the year.

38. Figures in brackets relates to previous year. The previous year's figures have been regrouped, recomputed, rearranged and reclassified wherever necessary.

For Sandeep Rathi & Associates
Chartered Accountants
Firm Registration No. 113728 W

Sd/-
Sandeep Rathi
Proprietor
Membership No. 047377
Mumbai, 30th May 2017
.

For and on behalf of the Board of Directors

Sd/-
Nitin Prabhudas Somani
Director
DIN : 00841378

Sd/-
Sonal Nitin Somani
Director
DIN : 01216993

HASTI FINANCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

		(Amount in Lakhs)	
		31.03.17	31.03.16
(A)	Cash Flow From Operating Activities		
	Net Profit / (Loss) Before tax & Extra Ordinary Items	2.39	(52.98)
	Adjustments for:		
	Provisions & Contingencies	6.50	57.04
	Long Term Capital Gain on Sale of Equity	(8.81)	-
	Depreciation	12.78	3.14
	Acturial loss / (Gain)	5.10	(0.72)
	Taxes	(4.50)	(1.55)
	Operating Profit before Working Capital changes	13.46	4.92
	Adjustments for:		
	Trade and other receivable/ Advances	(25.84)	37.19
	Trade payables, Provisions & Others	2.75	(6.18)
	Net Cash from Operating Activities	(9.63)	35.30
(B)	Cash Flow From Investing Activities		
	Sale of Investment	18.75	-
	Purchase of Assets	-	(40.67)
	Increase in Investment	-	-
	Net Cash from Investing activities	18.75	(40.67)
(C)	Cash Flow from Financing Activities		
	Proceeds from issue of shares/ share warrants including share premium	-	-
	Net Cash from Financing Activities	-	-
	Net Increase/(Decrease) in Cash & Cash equivalents	9.12	(5.37)
	Cash & Cash equivalents as at beginning of the year	10.00	15.37
	Cash & Cash equivalent as at end of the year	19.12	10.00

Notes :

1. Cash flow statement has been prepared under indirect method as set out in the Accounting "Standard (AS) 3 -Cash Flow Statement ".
2. Cash and cash equivalents represent cash and bank balances.
3. Previous year figures have been regrouped/ reclassified wherever applicable.

As per our Report attached
Sandeep Rathi & Associates
Chartered Accountants
Firm Registration No. 113728W

For and on behalf of the Board of Directors of
Hasti Finance Limited

Sd/-
Sandeep Rathi
Proprietor
Membership No. 047377
Place : Mumbai
Date : 30th May, 2017

Sd/-
Nitin Prabhudas Somani
Director
Din :00841378

Sd/-
Sonali Nitin Somani
Director
Din : 01216993

Attendance Slip of Annual General Meeting

HASTI FINANCE LIMITED

No. 14 Imperial Hotel Complex, Near Albert Cinema Hall,
Whannels Road, Egmore, Chennai- 600008
CIN: L65191TN1994PLC028333

ATTENDANCE SLIP

For 23rd Annual General Meeting

Saturday , September 30, 2017 at 12.30 p.m

Regd. Folio No. _____ / DP ID _____ / Client ID/Beneficiary A/c _____

No. of Shares held _____

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 23rd Annual General Meeting of the Company on Saturday, 30th September, 2017 at 12:30 p.m. at No. 14 Imperial Hotel Complex, Near Albert Cinema Hall, Whannels Road, Egmore, Chennai- 600008

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

Form No. MGT-11

Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L65191TN1994PLC028333
Name of the Company : **HASTI FINANCE LIMITED**
Registered Office Address : No. 14 Imperial Hotel Complex, Near Albert Cinema Hall,
Whannels Road, Egmore, Chennai- 600008,TN

Name of the Member : _____
Registered Address : _____

Email ID : _____
Folio No. / Client ID/DP ID : _____

I/ We being the member of Hasti Finance Limited, holding _____ shares, hereby appoint:

1. Name : _____
Address : _____

Email ID : _____
Signature : _____

Or Failing him/her

2. Name : _____
Address : _____

Email ID : _____
Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 23rd Annual General Meeting of members of the Company, to be held on 30th September, 2017 at the registered office of the Company at NO. 14 IMPERIAL HOTEL COMPLEX, NEAR ALBERT

CINEMA HALL, WHANNELS ROAD, EGMORE, CHENNAI TN 600008, and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business

1. Adoption of Financial Statements
2. Appointment of statutory auditors

SPECIAL BUSINESS

3. Appointment of Independent Director

Signature of Shareholder (s)

Signature of Proxy holder (s)

Signed this _____ day of _____ 2017

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.