

HASTI FINANCE LIMITED

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

Date: 06-09-2021

To,
The Manager,
Department of Corporate Services,
Bombay Stock Exchange Limited,
PhirozeeJeejeeboyTowers,
Dalal Street, Fort,
Mumbai — 400 001

Dear Sir,

Sub: Submission of Annual Report for the Year 2020-21

The Annual General Meeting of the Company is scheduled to be held through Video Conferencing ("VC") Other Audio Visual Means ("OAVM"), on Thursday, the September 30, 2021 at 02.00 P.M.

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements), 2015, we submit herewith the Annual Report for the year 2020-21 along with AGM Notice.
This is for your information and records.

Yours faithfully,
For Hasti Finance Limited

Nitin Prabhudas Somani
Somani

Digitally signed by Nitin Prabhudas Somani
Date: 2021.09.06
17:58:39 +05'30'

Nitin Prabhudas Somani
Managing Director
(DIN: 00841378)

MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

On behalf of the Board of Directors, it is my pleasure to present to you Hasti Finance Limited's 27th Annual Report for the financial year ended 31st March 2021.

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.

With the support from our stakeholders, we will continue to strive towards building a more sustainable business and enhancing shareholders value in the near and long term.

Regards,
Nitin P. Somani
Chairman





CORPORATE PROFILE

❖ **Key Managerial Persons**

- Mr. Nitin Prabhudas Somani (Managing Director)
- Mrs. Sonal Nitin Somani (Executive Director)
- Mr. Vilas Shankar Daware (Independent Director)
- Mr. Vishal Nanalal Buddhdev (Independent Director)
- Mr. Khairu Imam Pappuwale (Independent Director)
- Mr. Raj Nitin Somani (Chief Financial Officer)
- Mr. Abhinav Gupta (Company Secretary & Compliance Officer)

❖ **Abhinav Gupta resign w e f 16.12.2020 and Re-Appointed again as Company Secretary w e f. 07-06-2021.**

❖ **Registered Office**

No. 14 Imperial Hotel Complex, Near Albert Cinema Hall, Whannels Road, Egmore, Chennai 600008, Tamil Nadu.
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:**

Jhunjhunwala Jain & Associates LLP.
Chartered Accountants,
1203, 'B' Wing, Cello Triumph,
I.B. Patel Road, Goregaon (East),
Mumbai-400063
E-mail: info@jhunjhunwalajain.com.

❖ **Registrar and Share Transfer Agent**

Big Share Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East,
Mumbai 400059,
Maharashtra.
Website: www.bigshareonline.com
Email Id: rajeshm@bigshareonline.com
Tel No-022 40430200
Fax No-022-28475207

❖ **Bankers:**

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.

NOTICE

NOTICE IS HEREBY GIVEN THAT TWENTY SEVENTH ANNUAL GENERAL MEETING OF HASTI FINANCE LIMITED WILL BE HELD ON THURSDAY, 30TH SEPTEMBER, 2021 AT 02.00 P.M. THROUGH VIDEO CONFERENCING (“VC”)/ OTHER AUDIO-VISUAL MEANS (“OAVM”) TO TRANSACT THE FOLLOWING ORDINARY BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2021, Profit and Loss Account for the year ended 31st March, 2021 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mrs. Sonal Nitin Somani (DIN: 01216993), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

SPECIAL BUSINESS:-

3. Ratification/Approval for transaction with Related Parties

To consider, and if thought fit to pass with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 (‘the Act’) consent of the members be and is hereby accorded to the Board of Directors to enter into transactions, contracts and agreements with Related Parties of the Company at a maximum of Rs. 2 Crores per transaction.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to determine the terms and conditions for the proposed transactions and all other matters arising out of or incidental thereto.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things that may be necessary, proper, desirable and expedient to give effect to the aforesaid resolution.”

4. Re- appointment of Mr. Nitin Prabhudas Somani (DIN 00841378) as Managing Director of the Company and in this regard to consider and if though fit, to pass, with or without modification (s), the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of 196, 197, 203 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the said act and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any

statutory modification(s) or re-enactment(s) thereof and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), approval(s) and permission(s) and as agreed to by the Board of Directors (hereinafter referred to as the "Board", which term shall unless repugnant to the context or meaning thereof, be deemed to include any Committee thereof or any person authorized by the Board in this behalf), the approval of the members be and is hereby accorded for the re-appointment of Mr. Nitin Prabhudas Somani (DIN 00841378) as Managing Director of the Company, for a period of 5 (five) years Starting from September 30, 2021 on payment of salary, commission and perquisites (hereinafter referred to as "remuneration") as detailed hereunder, with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Nitin Prabhudas Somani.

Basic Salary Rs. 15,000/- p.m

Conveyance on actual upto a limit of Rs. 1,000/- p.m

RESOLVED FURTHER THAT the remuneration payable to Mr. Nitin Prabhudas Somani, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board of Directors or any of its committee be and is hereby authorized to do all such acts, deed, things, matters and take all such steps as may be necessary, proper, expedient to the foregoing resolution."

Notes:

1. The information required to be provided under section 102 of the Act, SEBI (LODR) Regulations and the Secretarial Standards on General Meetings (SS-2), with respect to details of Directors who are proposed to be appointed/ reappointed under item no. 2,4 set out above are annexed hereto.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.

3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for themembers is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding),Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act,2013.
6. The relative Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the business under Item No. 3 and 4 of the Notice, is annexed hereto. The relevant details, pursuant to the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is also annexed.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule20 of the Companies (Management and Administration) Rules, 2014 (as amended)and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose,the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorizedagency. The facility of casting votes by a member using remote e-Voting system aswell as venue voting on the date of the EGM/AGM will be provided by NSDL.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April13, 2020, the Notice calling the EGM/AGM has been uploaded

on the website of the Company at <https://www.hastifinance.com>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

9. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
10. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January, 13, 2021.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held in electronic form and to Bigshare Services Private Limited, in case the shares are held in physical form..
12. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
13. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away by Companies Amendment Act, 2017 vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of the appointment of Auditors, who were appointed in the Annual General Meeting held on 25th September 2017.
14. Pursuant to section 91 of the Companies Act, 2013 read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from Sunday 26th

September,2021 to Thursday 30th September,2021 (both days inclusive) for the purpose of 27th AGM.

9

15.The Register of Directors and Key Managerial Personnel and their shareholdings maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Registered Office

16.In compliance with the aforesaid MCA Circulars and SEBI Circular dated January 15, 2021 read with SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice of AGM and the Annual Report 2020-21 will also be available on the Company's website at <https://www.hastifinance.com>., on the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of NSDL <https://www.evoting.nsdl.com>.

THE INSTRUCTIONS FOR REMOTE E-VOTING, E-VOTING ON THE DAY OF E-AGM AND INSTRUCTIONS FOR E-AGM IS PROVIDED AS UNDER:-

A. INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING:

1. 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).

2. The Company is providing facility of remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on **Thursday, 23rd September 2021 (end of day)**, being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

3. The remote e-voting period begins on Monday, 27th September, 2021 at 9.00 A.M IST and ends on Wednesday, 29th September, 2021 at 5.00 P.M. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September, 2021.

4. Any person, who acquires shares of the company and becomes a member of the company after dispatch of the notice of AGM and holds shares as on the cut-off date i.e. 23rd September, 2021, may obtain user ID and password by sending a request at evoting@nsdl.co.in

5. 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.

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

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for NSDL IDeAS facility , please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “ Beneficial Owner ” icon under “Login”

which is available under **“IDeAS”** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2. If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nSDL.com>. Select **“Register Online for IDeAS”** Portal or click at <https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in

	<p>www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at [abovementioned website.](#)

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your

password.

- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
- a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting.

For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csbbansal@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to NSDL at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **hastifinanceltd@gmail.com**.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **hastifinanceltd@gmail.com**. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login

method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under **“Join General meeting”** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at **hastifinanceltd@gmail.com** The same will be replied by the company suitably.
6. Ms. Somani & Associates, Practicing Chartered Accountant (M. No. 9364, CP No. 8642) 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.
7. 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.
8. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at hastifinanceltd@gmail.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.
9. 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.

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:
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis,
Makwana Road, Marol,
AndheriEast,Mumbai 400059,
Maharashtra
Tel No: 022-40430200
Fax No: 022-28475207
www.bigshareonline.com
Email Id: investor@bigshareonline.com

10. 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.
11. 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.

For & On behalf of the Board

**Mumbai,
03rd September, 2021**

**Sd/-
Mr. Nitin Somani
Managing Director
DIN 00841378**

ANNEXURE A**Statement pursuant to Section 102(1) of the Companies Act, 2013, as amended ('Act')****Item No. 3**

In view of the provisions of Section 188 (1) of the Companies Act, 2013 and the rules made thereunder, the Audit Committee and Board of Directors have recommended the consent of shareholders to set the maximum limit i.e. Rs. 2 Crore per transaction that your company may enter with its related parties i.e. Associates, Key Managerial Person, Relatives of Key Managerial Person, Company of relatives of Key Managerial Person.

All the proposed transactions would be carried out as part of business requirements of the Company and are ensured to be on arm's length basis.

Members are hereby informed that pursuant to the second proviso of Section 188(1) of the Companies Act, 2013, no member of the Company shall vote on such resolution to approve any contract or arrangement, if such member is a related party.

None of the other Directors of the Company are, in any way, connected or interested in the resolution.

The ordinary resolution as set out in Item no. 3 of this Notice of AGM is recommended by the Board for your approval.

Item No. 4

Mr. Nitin Prabhudas Somani (DIN 00841378) was re-appointed as the Managing Director of the Company for a period of five years with effect from October 1, 2016 to September 30, 2021, after obtaining due approval of the members of the company in Annual General Meeting held on 30th September, 2016 Accordingly, the present term of Nitin Prabhudas Somani comes to an end on 30th September, 2021.

The Board, in its meeting held on 03rd September 2021 has approved the re-appointment of Mr. Nitin Prabhudas Somani as Managing Director of the company for a further period of five years. The Board has taken the decision of said re-appointment based on the recommendation of the Nomination and Remuneration Committee and subject to approval of the members of the company.

Mr. Nitin Prabhudas Somani is not disqualified from being re-appointed as a Managing Director in terms of Section 164 of the Companies Act, 2014. He has communicated his willingness to be re-appointed and has given his consent to act as Managing Director of the Company. He satisfies all the conditions set out in section 196(3) of the said act and Part-I of Schedule V thereof and hence, is eligible for re-appointment.

A brief profile of Mr. Nitin Prabhudas Somani is provided in the Annexure B to the Notice pursuant to the provisions of :

- (i) the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 and
- (ii) Secretarial Standard on General Meetings (SS-2) issued by the institute of Company Secretaries of India.

It is proposed to seek Members Approval for the re-appointment of and remuneration payable to Mr. Nitin Prabhudas Somani as a Managing Director, as set out in the resolution in accordance with the Schedule V to the Companies Act, 2013.

The Board of Directors is confident that their vast knowledge and experience will be of great value to the Company and hence commends the resolution set out at item no. 4 of the notice as an special resolution for the your approval.

None of the other Directors of the Company are, in any way, connected or interested in the resolution.

ANNEXURE B**Details of the Directors seeking re-appointment in the forthcoming Annual General Meeting**

[Pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meeting]

Name of the Director	Mrs. Sonal Nitin Somani	Mr. Nitin Prabhudas Somani
Date of Birth	15/08/1973	02/03/1970
Date of Appointment/ Re- Appointment	29/09/2009	30/09/2016
Qualification Experience & brief profile	Mrs. Sonal Nitin Somani is a good leader and has good experience in handling the management of the Company	Mr. Nitin Somani is a good leader and has good experience in handling the management of the Company
Relationship with Directors	Wife of Managing Director Mr. Nitin Somani	Husband of Directors Sonal Somani
Directorships held in other Listed Entities	NA	NA
Memberships/ Chairmanships of committees of other Listed Entities	NA	NA
No. of shares held	2579668	2021896

For & On behalf of the Board

**Mumbai,
03rd September, 2021**

**Sd/-
Mr. Nitin Somani
Managing Director
DIN 00841378**

DIRECTORS' REPORT

**TO
THE MEMBERS
OF HASTI FINANCE LIMITED**

Your Directors have pleasure in presenting the 27th Annual report of the Company together with the audited Financial Statements for the year ended 31st March, 2021.

1. FINANCIAL RESULTS:

The financial results of your company for the year ended 31st March, 2021 are summarized below:

Particulars For the Year ended	Amount in Lakhs	
	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
Gross Income	185.82	173.12
Less: Expenses	158.69	146.23
Profit / (Loss) Before Interest, Depreciation and amortization, exceptional items and Tax	27.13	26.88
Less: Depreciation and amortization	3.50	4.72
Profit / (Loss) before exceptional items and tax	27.13	26.89
Add: Exceptional Item	-	-
Profit / (Loss) before Tax	27.137	26.89
(Less)/Add : Provision for Taxation	(27.69)	(14.71)
Profit / (Loss) after Tax	54.834	41.60
Add: Balance brought forward from previous year	33.992	2.66
Profit available before appropriations	88.826	44.26
Less: Appropriations	(10.966)	
Other Comprehensive Income	(4.955)	(1.94)
Transfer to Statutory reserve	(2.206)	(8.32)
Surplus Carried to balance Sheet	70.699	33.99

During the year, the Income earned by the company comprises of interest income of Rs. 185.82 Lacs (Previous Year: Rs. 167.79 Lacs) and Sale of services Nil (Previous Year: Rs. 167.79 Lacs).

The Company is a Non deposit accepting Non Banking Finance Company. Accordingly it has followed the RBI guidelines for income recognition and provision norms as far as applicable to the Company. The Profit after tax of the Company for the current year was Rs.54.834 Lacs as compared to net operational profit after tax of Rs. 41.60 Lacs during the previous year. The Company's Net Worth as on March 31, 2021 stood at Rs. 2121.01 Lacs as against Rs. 2066.1 Lacs last year.

The Directors propose to carry Rs. 70.699 lacs being the profit for the current year to the Balance Sheet during the financial year ended 31st March, 2021.

Impact of Covid-19 Pandemic And Mitigation Measures Implemented

The outbreak of Coronavirus (COVID-19) pandemic globally and in India has resulted in slow down of economic activities. The Company has evaluated the impact of this pandemic on its business operations during the year ended March 31, 2021. The pandemic has materially impacted revenues of the Company for the year ended March 31, 2021.

The extent to which the pandemic will impact Company's results will depend on future developments, which are highly uncertain, including, among things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company. Given the uncertainty over the potential macro-economic condition, the impact of global health pandemic may be different from that estimated as at the approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions. The necessary precautions and safety measures are put in place to maintain social distancing. The business of the Company is affected and reduced due to COVID-19 outbreak.

2. RESERVES

The Company has transferred Rs.101.333 Lacs to Statutory Reserves of the Company.

3. CAPITAL STRUCTURE

There was no change in the Authorized and Paid-up Share Capital of the Company during the year.

The Authorized Share Capital of the Company is Rs. 12,01,00,000/- (Rupees Twelve Crores and One Lakh only) divided into 1,20,10,000 (One Crore Twenty Lakh and Ten Thousand Only) Equity Shares of Rs. 10/- (Rupee Ten) each.

The Paid-up Share Capital of the Company is Rs. 10,83,97,300/- (Rupees Ten Crores Eighty Three Lakhs Ninety Seven Thousand and Three Hundred only) divided into 1,08,39,730 (One Crore Eight Lacs Thirty Nine Thousand Seven Hundred and Thirty Only) Equity Shares of Rs. 10/- (Rupee Ten) each.

4. DIVIDEND:

In order to plough back the profit for future growth, the Company needs to maintain its reserves and hence do not recommend any dividend distribution out of the reserves.

5. 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.

6. 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 Ltd. The Company was able to maintain its revenue targets. The Company has also diversified its fund by selling its investment in associate company which was not earning expected returns for the Company.
- 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.

7. 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.

8. 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.

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

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is provided elsewhere in this annual report in Management Discussion.

10. 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.

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

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, are given in the notes to the Financial Statements.

12. AUDITORS

a. Statutory Auditor

M/s. Jhunjhunwala Jain & Associates LLP., Chartered Accountants, Firm Registration No. 113675W [Earlier known as Randhir Jhunjhunwala & Co., Chartered Accountants] was appointed as Statutory Auditors for a period of 5 years in the Annual General Meeting held on 30.09.2017.

b. Secretarial Auditor

According to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Secretarial Auditor, Somani & Associates (Practising Company Secretaries) (M. No.FCS 9364, COP No. 8642), Company Secretary in Practice is enclosed as a part of this report in **Annexure "1"**.

13. AUDITORS REPORT

STATUTORY AUDITOR

The Statutory Auditor's report is self-explanatory in nature. There is no audit qualification, reservation or adverse remarks for the year under review. Pursuant to the amendments made to section 139 of the Companies Act, 2013 by the Companies (amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the members for appointment of the Statutory auditors has been withdrawn from the statute. Hence the resolution seeking ratification of the members for continuance of their appointment at this AGM has not been sought.

SECRETARIAL AUDITOR

Your Company believes in best investor relation practices. Hence, Management of the Company ensures to be more careful /proactive and dedicated in all of the compliances including SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

14. 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 is available on the website of the Company at <https://www.hastifinance.com/>

15. 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 herewith as **Annexure "2"** as well as available on the website of the Company at <https://www.hastifinance.com/>

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as **Annexure "3"**.

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

The Company has held 08 Board meetings during the financial year under review.

18. 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.

19. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Associates or Joint venture Company.

20. 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.

21. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY

1. Regularization of Mr. Khairu Pappuwale (DIN: 08418168) as a Director of the Company with effect from 30th September 2020.
2. Mr. Abhinav Gupta was resigned from post of Company Secretary and Compliance Officer of the Company with effect from 16th December 2020.

Apart from this, there are no changes in the composition of Board of Directors during the financial year 2020-21.

After closing of financial year 2020-21 Mr. Abhinav Gupta appointed as a Company Secretary and Compliance Officer of the Company with effect from 07th June,2021.

22. 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. The Board is of the view that all the Independent Directors on the Board possess integrity, necessary expertise and experience for performing their functions diligently.

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 2021 (Rs. In Lacs)	Remuneration in year 2020 (Rs. In Lacs)	% increase/Decrease in remuneration during the year
Nitin Prabhudas Somani	Managing Director	1.20	1.20	-
Sonal Nitin Somani	Executive Director	1.20	1.20	-

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

Total number of employees during the year 2021	Total number of employees during the year 2020	Remuneration of employees in year 2021 (Rs. In Lacs)	Remuneration of employees in year 2020 (Rs. In Lacs)	% increase / (decrease) in remuneration of employees during the year
3	10	4.2	7.99	(52.56%)

Information under Rule 5(1) (viii)

The Company affirms that the remuneration is as per the remuneration policy of the Company.

No employee of the Company is falling under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

23. FORMAL ANNUAL EVALUATION

The provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

24. WHISTLEBLOWER POLICY

The Board has adopted whistleblower mechanism in the company. The policy adopted by the company is available on the website of the Company at <https://www.hastifinance.com/>

25. DISCLOSURE OF COMPOSITION OF BOARD COMMITTEES

Name of Committee	Composition of Committee
Audit Committee	Mr. Khairu Imam Pappuwale (Chairperson) Mr. Vilas Shankar Daware (Member) Mr. Vishal Nanalal Buddhdev (Member)
Nomination and Remuneration Committee	Mr. Vishal Nanalal Buddhdev (Chairperson) Mr. Vilas Shankar Daware (Member) Mr. Khairu Imam Pappuwale (Member)
Stakeholders Relationship Committee	Mr. Vishal Nanalal Buddhdev (Chairperson) Mr. Vilas Shankar Daware (Member) Mr. Khairu Imam Pappuwale (Member)

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

The Company has established a vigil mechanism and oversees 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. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.

There was no case filed during the year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Further, the Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and have made necessary policies for safe and secure environment for women employees. The Company has in place an Anti—Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. The Company affirms that during the Year under review, no complaints were received by the Committee for redressal.

28. CASH FLOW STATEMENT

In conformity with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and requirements of Companies Act, 2013, the Cash flow Statement for the financial year ended 31.03.2021 is annexed here to as a part of the Financial Statements.

29. DISCLOSURE OF MAINTENANCE OF COST RECORDS

Maintenance of Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company.

30. DETAILS OF SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS/TRIBUNAL/COURTS

There are no significant or material orders passed by any regulators/Tribunal/Courts impacting the going concern status and Company's Operation in future.

31. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in Management Discussion and Analysis, which forms part of this Report.

32. CORPORATE GOVERNANCE REPORT:

The report on Corporate Governance required as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached in **Annexure "4"** to the Board report

33. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report is enclosed as a part of this report as **Annexure "5"**.

34. CORPORATE GOVERNANCE CERTIFICATE

The certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached in **Annexure "6"** to the report.

35. ENVIRONMENT PROTECTION AND POLLUTION CONTROL

The Company has always been socially conscious corporate, and has always carried forward all its operations and procedures for environment friendly norms with all necessary clearances.

36. Compliance with Secretarial Standards

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings. As required in terms of Secretarial Standard (SS)-4, it is hereby confirmed that there is no corporate insolvency resolution process initiated under the Insolvency and Bankruptcy Code, 2016.

37. 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.

**On behalf of Board
For Hasti Finance Limited**

**Sd/-
Nitin Prabhudas Somani
DIN 00841378
Managing Director**

**Sd/-
Sonal Nitin Somani
DIN 01216993
Director**

**Mumbai.
3rd September, 2021**

Annexure - 1

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2021

[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
(CIN: L65191TN1994PLC028333)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hasti Finance Limited hereinafter called (“the company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Hasti Finance Limited’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we, hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2021, complied with the 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 books, papers, minute books, forms and returns filed and other records maintained by Hasti Finance Limited (“the Company”) for the financial year ended on 31st March 2021, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations; **Not Applicable as per the Information Provided by the Company****
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares And Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client.
- vi. Other law applicable specifically to the Company, as detailed below;
- (i) The Reserve Bank of India Act, 1934
 - (ii) Rules, regulation and guidelines issued by the Reserve Bank of India as are applicable to the Non-Banking Financial Company (NBFC)

The compliance by the Company of the applicable direct tax laws, indirect tax laws and other financial laws has not been reviewed in this Audit, since the same have been subject to review by the other designated professionals.

We have relied on the representation made by the company and its officers for the systems and mechanisms formed by the company for compliances under the other applicable Acts, Laws and Regulations as mentioned by the company in its Management Representation letter.

We have also examined compliance with the applicable clauses:

- a) Secretarial Standards issued by the Institute of Company Secretaries of India.
- b) SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and its amendments.

During the period under review the Company has generally complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following specific observations:

Delay submission/Violation under regulations 18, 20, 30, 33, 44, 46, 47 of the SEBI (LODR), Regulations, 2015. Annual Listing fees for the financial year was paid late.

Company has not fully complied with The Reserve Bank of India Act, 1934 and Rules, regulation and guidelines issued by the Reserve Bank of India as are applicable to the Non-Banking Financial Company (NBFC)

Under companies act, Documents for appointment of internal auditors and respective report were not produced for verification. Financials of the company and Form MGT-7 were not signed by company secretary of the company

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance

of Executive Directors, Non-Executive Directors and Independent Directors subject to observations/ Remarks given above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act subject to above observations.

- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
- c) As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that

The BSE Limited imposed SOP Fines of Rs. 1,82,900/- (Including GST) under regulation 29 and 33 of the SEBI(LODR) Regulations, 2015 and it was intimated by the exchange that in case of non completion of the all of the above compliance and non payment of fines, promoters holding will be freeze.

Company submitted waiver of penalty application to BSE limited. However there is no reply from BSE on that waiver application.

Further SEBI sought some information from the company u/s 11(2)(ia) of SEBI Act, 1992 with respect to changes in shareholding pattern of promoters between the period August 2010 to August 2015 along with disclosures made by company with respect to change in shareholding of the promoters and other information thereafter. The Company has submitted the documents to SEBI

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.

Place: Mumbai

Date: 03rd Spetmeber, 2021

**For Somani & Associates
(Practising Company Secretaries)**

Sd/-

Poonam Somani

FCS No. F9364

C P No. 8642

UDIN No. -F009364C000882577

Annexure A

To,
The Members,
Hasti Finance Limited
(CIN: L65191TN1994PLC028333)

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company, our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness 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 process 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. The compliance by the Company of the applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit, since the same have been subject to review by the other designated professionals.
4. Where ever 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 Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
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.

Place: Mumbai
Date: 03rd Spetmeber,2021

For Somani & Associates
(Practising Company Secretaries)

Sd/-
Poonam Somani
FCS No. F9364
C P No. 8642

UDIN No. F009364C000882577

Annexure 2

Form No. MGT -9
EXTRACT OF THE ANNUAL RETURN

As on Financial Year ended 31st March 2021

[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 FINANCE 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-600008, Tamil Nadu Tel No. +91-8655458399
vi.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	:	Big Share Services Private Limited , 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra. Website: www.bigshareonline.com ; Email Id: rajeshm@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 turn over of the company shall be stated:-

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

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

e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Compa-	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	188499	1100	189599	1.75	188499	1100	189599	1.75		(0.00)
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	329275	247880	577155	5.32	322740	247880	570620	5.26		(0.06)

1.	Nitin P Somani	104	0.001	0	104	0.001	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	0.91	0	99000	0.91	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	4948064	45.65	4948064	45.65
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	0	0	4948064	45.65
	At the end of the year	4948064	45.65	4948064	45.65

Note: There is no change in Promoters Holding during the Financial Year 2020-21.

(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				

	Atthe begin- ningof theyear	247500	2.28	247500	2.28
	Datewise In- crease/ De- creasein Promoters Sharehold- ing dur- ingthe year specifying thereason- for- in- crease/decre ase (e.g. al- lotment/ transfer/ bonus/ sweat equity	(247500) On 30 th Novem- ber,2020	2.28	0.00	0.00
		247500 on 04 th December 2020	2.28	247500	2.28
	Atthe endof theyear	247500	2.28	247500	2.28
2.	Salim Ismail Shaikh				
	Atthe begin- ningof theyear	247500	2.28	247500	2.28
	Date wise Increase/ Decrease in Promoters Sharehold- ing during the year specifying the reasons for in- crease/decr ease (e.g. al- lotment/ transfer/ bonus/ sweat equi- ty etc	(10425) on 24 th July 2020	2.19	237075	2.19
		(237075) On 30 th November 2020	0.00	00.00	00.00
		237075 on 4 th December 2020	2.19	237075	2.19

	At the end of the year	237075	2.19	237075	2.19
3.	Anil Motiram-Chavan				
	At the beginning of the year	232004	2.14	232004	2.14
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.	(35230) on 24 th July 2020	1.82	196774	1.82
		(8668) on 31 st July 2020	1.74	188106	1.74
		(100423) on 09 th October 2020	0.81	87683	0.81
		(87683) on 30 th November 2020	0.00	0.00	0.00
		87683 On 04 th December 2020	0.81	87683	0.81
	At the end of the year	87683	0.81	87683	0.81
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	0.00	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.	(60) on 31 st July 2020	1.83	197940	1.83
		(21) on 11 th December 2020	1.83	197919	1.83
		(7100) on 26 th March 2021	1.76	190819	1.76
	At the end of the year	190819	1.76	190819	1.76
7.	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	(188100) on 30 th November 2020	0.00	0.00	0.00
		188100 on 04 th December 2020	1.74	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.	(188100) on 30 th November 2020	0.00	0.00	0.00
		188100 on 04 th December 2020	1.74	188100	1.74
	At the end of the year	188100	1.74	188100	1.74
9.	NileshRatilGantra				
	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.	(188100) on 30 th November 2020	0.00	0.00	0.00
		188100 on 04 th December 2020	1.74	188100	1.74
	At the end of the year	188100	1.74	188100	1.74
10.	Pratibha R Mhatre				
	At the beginning of the year	142000	1.31	142000	1.31
	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	142000	1.31
	At the end of the year	142000	1.31	142000	1.31

11.	Sneh Jain				
	At the beginning of the year	0	0.00	0.00	0.00
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.	87500 on 26 th February 2021	0.81	87500	0.81
		43700 on 05 th March 2021	1.21	43700	1.21
	At the end of the year	131200	1.21	131200	1.21

(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 company	No. of shares	% of total shares of the company
1	Nitin Prabhudas-Somani	2021896	18.65	2021896	18.65
	At the beginning of the year	2021896	18.65	2021896	18.65

	Datewise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.	(2,021,792) on 30 th November 2020	0.001	104	0.001
		2,021,792 on 04 th December 2020	18.65	2021896	18.65
	At the end of the year	2021896	18.65	2021896	18.65
2	Manoj Prabhudas Somani				
	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.	(247500) on 30 th November, 2020	0	0.00	0.00
		247500 on 04 th December, 2020	247500	2.28	2.28
	At the end of the year	247500	2.28	247500	2.28

2	Sonal Nitin-Somani				
	At the beginning of the year	2579668	23.80	2021896	23.80
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.	(2,579,668) on 30 th November 2020	0	0	0
		2,579,668 on 04 th December 2020	23.80	2,579,668	23.80
	At the end of the year	2,579,668	23.80	2,579,668	23.80
3	Lucky Manoj Somani				
	At the beginning of the year	99,000	0.91	99,000	0.91

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	0.00	0	0.00
At the end of the year	99,000	0.91	99000	0.91

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				
Net Change	0	0	0	0
Indebtedness at the beginning of the financial year				

i)PrincipalAmount	0	0	0	0
ii)Interestduebutnotpaid				
iii)Interestaccruedbutnot 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)	Sonal Nitin Somani (Executive Director)	Rs.
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,20,000	1,20,000	2,40,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
	Stock Option	Nil	Nil	Nil
2.	Sweat Equity	Nil	Nil	Nil
3.	Commission	Nil	Nil	Nil
4.	Others, please specify	Nil	Nil	Nil
5.	Total(A)	1,20,000	1,20,000	2,40,000
	Ceiling as per the Act	N.A	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	NIL	Nil
	Overall Ceiling as per the Act		

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

	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	180000	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 speci-	NIL	NIL	NIL	NIL
	Total	NIL	NIL	180000	NIL

VII. PENALTIES/PUNISHMENT/COMPOUNDINGOFFENCES:

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
Compound- ing	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compound- ing	NIL	NIL	NIL	NIL	NIL
B. Other Officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compound- ing	NIL	NIL	NIL	NIL	NIL

**On behalf of Board
For Hasti Finance Limited**

**Sd/-
NitinPrabhudasSomani
DIN 00841378
Managing Director**

**Sd/-
SonalNitinSomani
DIN01216993
Director**

**Mumbai,
03rd September, 2021**

Annexure-3

**Form No. AOC 2 – RELATED PARTY DISCLOSURE
(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act
2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There is no such Transaction which is not on arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sr. No	Particulars	
a)	Name (s) of the related party	Mr. NitinPrabhudasSomani Mrs. SonalNitinSomani Finex Express Cargo Private Limited Safe mode Cargo Private Limited
b)	Nature of relationship	KMP, Directors and Enterprise in which KMP are interested
c)	Nature of contracts/arrangements/transaction	Remuneration and Interest Income received
d)	Duration of the contracts/arrangements/transaction	Yearly
e)	Salient terms of the contracts or arrangements or transaction including the value, if any	1. Remuneration of Mr. NitinPrabhudasSomani is Rs.1, 20,000/- p.a. 2. Remuneration of Mrs. SonalNitinSomani is Rs.1,20,000/- p.a 3. Remuneration to Mr. Raj NitinSomaniRs. 1,80,000/- p.a. 4. Interest income of Rs. 22,824,37/- received from Safe mode Cargo

		Private Limited. 5. Interest income of Rs. 10,897,65/- received from Finex Express Cargo Private Limited. 6. Office Rent paid to Mr. NitinSomaniRs. 1,56,000/-
f)	Justification for entering into such contracts or arrangements or transactions'	In the normal course of business
g)	Date of approval by the Board	14/02/2020
h)	Amount paid as advances, if any	-
i)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-

**On behalf of Board
For Hasti Finance Limited**

**Sd/-
NitinPrabhudasSomani
DIN-00841378
Managing Director**

**Sd/-
SonalNitinSomani
DIN-01216993
Director**

**Mumbai,
03rd September, 2021**

ANNEXURE “4” 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 helps 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, 2021, 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, 2021

the Board consists of five members, two of whom are Executive Directors and three are Non-Executive Directors.

A. Composition of Board, and Directorships held as on March 31, 2021

Name of Director	Category of Directorship	No of Board meetings attended by Director	Whether last AGM attended	*Directorship 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	Executive Director (Promoter)	8	Yes	17	NIL	NIL
Sonal N. Somani	Executive Director (Promoter)	8	No	3	NIL	NIL
Vilas Shankar Daware	Non-Executive, Independent Director	8	No	NIL	NIL	NIL
Vishal Nanalal Buddhdev	Non-Executive, Independent Director	8	No	Nil	NIL	NIL
Khairu Imam Pappuwale	Non-Executive Independent Director	8	No	7	NIL	NIL

*Note: None of the Directors of the Company are holding office of Directorship in any Listed Entities other than Hasti Finance Limited as on March 31, 2021.

**Note:

1. Regularization of Mr. Khairu Pappuwale (DIN: 08418168) as a Director of the Company with effect from 30th September 2020.
2. Mr. Abhinav Gupta was resigned from post of Company Secretary and Compliance Officer of the Company with effect from 16th December 2020.

B. Remuneration paid to Directors

Remuneration paid to Managing Director-
Mr. Nitin Prabhudas Somani Rs. 1,20,000/- p.a.

Remuneration paid to Executive Director-

Mrs. Sonal Nitin Somani Rs. 1,20,000/-p.a.

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

C. Number of shares held by Non-Executive Director

Name of Director	Number of shares held	Name of Company in which the shares are held
Vishal Buddhdev	38487	Hasti Finance Limited

Familiarisation Programme imparted to Independent Director is available on the website of the Company (URL: <https://www.hastifinance.com/>)

D. Directors Relationship inter-se:

Mr. Nitin Somani and Mrs. Sonal Nitin Somani are husband and wife. None of the other directors have any relations inter-se.

E. Board meetings:

8 (Eight) Board Meetings were held during the Financial Year 2020-2021. The dates on which the said meetings were held are as follows:

15.05.2020; 31.07.2020; 31.08.2020; 03.09.2020; 13.10.2020; 13.11.2020; 16.12.2020; and 13.02.2021.

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

In the opinion of Board of Directors, all the independent Directors fulfill the conditions specified in the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and are independent of the management.

The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Sr.No.	Name of Director	Skill Area/Expertise/Competencies
1.	Mr. Nitin Somani	Leadership
2.	Mrs. Sonal Nitin Somani	Strategy and planning
3.	Mr. Vilas Shankar Daware	Governance, Risk Management and Compliance
4.	Mr. Vishal Buddhdev & Mr. Khairu Imam Pappuwale	Finance, Accounts & Audit Knowledge
5.	Mr. Nitin Somani	Relationship with Clients/ Customers

F. 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.

G. BOARD COMMITTEES

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

I. AUDIT COMMITTEE:

Our Audit Committee comprises of following three Directors as on 31.03.2021.

1. Mr. Khairu Imam Pappuwale -Chairman, Non-Executive and Independent Director
2. Mr. Vilas Daware – Member, Non-Executive and Independent Director
3. Mr. Vishal Budhdev- Member, Non-Executive and Independent Director

Mr. Kahiru Imam Pappuwale, 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 Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 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 Part C of Schedule II of the aforesaid Regulations. The audit committee has powers interalia, to investigate any activity within its terms of reference and to seek outside legal and professional advice.

The brief terms of reference of the Audit Committee include: –

- 1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

(a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) changes, if any, in accounting policies and practices and reasons for the same;

(c) major accounting entries involving estimates based on the exercise of judgment by management;

(d) significant adjustments made in the financial statements arising out of audit findings;

(e) compliance with listing and other legal requirements relating to financial statements;

(f) disclosure of any related party transactions;

(g) modified opinion(s) in the draft audit report;

5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8) approval or any subsequent modification of transactions of the listed entity with related parties;

9) scrutiny of inter-corporate loans and investments;

10) valuation of undertakings or assets of the listed entity, wherever it is necessary;

11) evaluation of internal financial controls and risk management systems;

12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14) discussion with internal auditors of any significant findings and follow up there on;

15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18) to review the functioning of the whistle blower mechanism;

19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

5 (Five) meetings of the Committee were held on 15.05.2020; 31.07.2020; 13.10.2020; 13.11.2020 and 13.02.2021 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. Khairu Imam Pappuwale	5
2. Mr. Vilas Daware	5
3. Mr. Vishal Buddhdev	5

II. NOMINATION AND REMUNERATION COMMITTEE

Our Nomination and remuneration committee comprises of 3 directors as on 31st March, 2021.

1. Mr. Vishal Buddhdev- Chairman, Non-Executive and Independent Director
2. Mr. Khairu Imam Pappuwale -Member, Non-Executive and Independent Director
3. Mr. Vilas Daware- Member, Non-Executive and Independent Director

In accordance with the requirements of section 178 of the Companies Act, 2013 and as per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 indentifies, 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.

The brief terms of reference of the Nomination and Remuneration Committee include: –

- 1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- 3) devising a policy on diversity of board of directors;
- 4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

During the year, 5(Five) meetings of the Nomination and Remuneration Committees were held on 15.05.2020; 31.07.2020; 13.10.2020; 13.11.2020 and 13.02.2021.

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. Vishal Buddhdev	5
2. Mr. Khairu Imam Pappuwale	5
3. Mr. Vilas Daware	5

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement. A separate meeting of Independent Directors was conducted as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 18th March, 2020. All the independent directors were present for the meeting.

The criteria and remuneration policy are subject to review by the Nomination & Remuneration Committee & the Board of Directors of the Company and has been uploaded website of the Company (URL: <https://www.hastifinance.com/>)

Disclosures as required under Schedule V of the Companies Act, 2013:

1. Remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors:

Name of the Director	Remuneration paid during the year 2020-2021 Amount (in Rs)
Nitin Prabhudas Somani,,	1,20,000/-
Sonal Nitin Somani	1,20,000/-

2. Details of fixed component and performance linked incentives along with the performance criteria: The remuneration is payable as per the Nomination and Remuneration Policy of the Company.
3. Service contracts, notice period, severance fees: The Company has entered into agreements with Whole-time Director of the Company.
4. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: Not applicable

III. SHAREHOLDER'S GRIEVANCES COMMITTEE

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

Our Shareholder's Grievances Committee comprised of three independent directors as on 31st March, 2021.

1. Mr. Vishal Buddhdev- Chairman, Non-Executive and Independent Director
2. Mr. Khairu Imam Pappuwale- Member, Non-Executive and Independent Director
3. Mr. Vilas Daware- Member, Non-Executive and Independent Director

The brief terms of reference of the Shareholders Grievances Committee include:

The Shareholders Grievances Committee shall consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non- receipt of annual report and non-receipt of declared dividends.

The committee deals with various matters relating to:

- Transfer / transmission of shares
- Issue of Share certificate in lieu of lost, sub-divided, consolidated, rematerialized or defaced Certificates.
- Consolidation / splitting of folios
- Review of shares dematerialized and all other related matters.
- Investors grievance and redressal mechanism and recommend measures to improve the level of investor's services.

The committee had 5(five) meetings during the year ended 31st March, 2021 on 15.05.2020; 31.07.2020; 13.10.2020; 13.11.2020 and 13.02.2021.

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. Vishal Buddhdev	5
2. Mr. Khairu Imam Pappuwale	5
3. Mr. Vilas Daware	5

Also, Mr. Abhinav Gupta was resigned from post of Company Secretary and Compliance Officer of the Company with effect from 16th December 2020 and appointed again as Company Secretary and Compliance Officer after the closure of financial year 2020-21 with effect from 07th June 2021.

Information on Investor Grievances for the period from 1st April, 2020 to 31st March 2021:

There are no outstanding complaints at the close of financial year which were received from shareholders during the year. The Company has no transfers pending at the close of the financial year. The total no. of complaints received and complied during the year were:

Opening: Nil

Complaints Received: Nil

Complied: Nil

Pending: Nil

The Outstanding complaints as on 31st March 2021 - Nil

H. GENERAL BODY MEETING

Location and time for last three Annual General Meetings:

Year	Location	Date	Time	Special Resolution	Post al ballot
2017-2018	K.Suryanarayan, No.208, Second Floor, Eldams Square, 167 Eldams Road, Alwarpet, Chennai-600 018	29/09/2018	12.30 p.m.	N.A.	N.A.
2018-2019	No. 14, Imperial Hotel Complex, Whannels Road, Egmore, Chennai - 600008, Tamil Nadu	30/09/2019	1.00 pm	<p>1. To re-appoint Mr. Vilas Shankar Daware (DIN: 03402035) as an Independent Director and in this regard, pass the resolution as a Special Resolution.</p> <p>2. To re-appoint Mr. Vishal Buddhdev (DIN: 03426456) as an Independent Director and in this regard, pass the resolution as a Special Resolution.</p> <p>3.To shift the Registered Office of the Company from the State of Tamil Nadu to the State of Maharashtra and Alteration in Memorandum of Association of the</p>	N.A.

				Company and in this regard, pass the resolution as a Special Resolution.	
2019-2020	Through Video Conferencing (“Vc”)/ Other Audio-Visual Means (“Oavm”)	30/09/2020	1.00 pm	N.A.	N.A

No postal ballots were used for voting at these meetings; however the Company has allowed remote E-voting facility in its 27th Annual General meeting.

DISCLOSURES

i. Related parties Transaction:

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business and the policy is available on www.hastifinance.com.

ii. Statutory Compliance, Penalties and Structures:

Penalty of Rs. 11,800/- under regulation 29(2), 29(3) and 1,71,100/- under regulation 33 (SOP fines) were imposed by stock exchange- BSE Limited due to Delay in submission of Intimations. The Company has submitted waiver of penalty application to BSE limited. However there is no reply from BSE on that waiver application.

Further SEBI sought information from the company u/s 11(2)(ia) of SEBI Act, 1992 with respect to changes in shareholding pattern of promoters between the period August 2010 to August 2015 along with disclosures made by company with respect to change in shareholding of the promoters and other information thereafter. Company submitted the documents to SEBI.

No other penalty was 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. Whistle Blower Policy

The board has adopted the Whistle Blower policy during the year and the policy is available on www.hastifinance.com. 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 2021.

iv. Compliance with Mandatory requirement:

The company has complied with all the applicable mandatory requirements in respect of corporate governance report as applicable as per the applicable SEBI Regulations.

v. Management:

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

vi. Policy on Material Subsidiary

The Company does not have any subsidiary as on date.

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 analyst.

Quarterly / Half yearly financial results sent to each shareholder's residence.	No, but published in the newspapers
In Which Newspapers Quarterly, half yearly & annual results were normally Published.	
Any website, where results or official news are displayed.	www.bseindia.com www.hastifinance.com

The Board of Directors of the Company approved and took on record the Un-Audited / Audited financial results within 45 days and *60 days of quarter / half year respectively and communicated the result to the Stock Exchange where the shares of the Company is listed.

GENERAL SHAREHOLDERS' INFORMATION

1. Annual General Meeting Held through Video Conferencing & other Audio Visual Means : 30th September, 2021 at 02:00 p.m
2. Financial Year : **2020-2021**
3. Date of Book Closure : 26th September, 2021 to 30th September, 2021.
4. Dividend Payment Date : Not Applicable
5. Listing on stock Exchanges : BSE Limited, Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001. The Company hereby confirms that it has paid the annual listing fees to BSE Limited.

6. Stock Code : 531387
 7. Market Price Data :

From 01.04.2020 to 31.03.2021

Month	Open Price	High Price	Low Price	Close Price
Apr 20	-	-	-	-
May 20	-	-	-	-
June 20	4.90	4.90	4.16	4.16
July 20	4.10	4.10	3.92	4.00
Aug 20	4.00	4.00	3.78	3.78
Sep 20	3.71	3.71	3.71	3.71
Oct 20	3.75	4.52	3.75	4.52
Nov 20	4.61	4.79	4.61	4.79
Dec 20	4.70	5.23	4.70	5.23
Jan 21	5.33	5.33	4.66	4.66
Feb 21	4.57	4.57	4.32	4.55
Mar 21	4.55	4.55	4.14	4.14

Financial Calendar:

The Company follows the period of 01st April to 31st March, as the Financial Year.

For the Financial Year 2021-22, Financial Results will be announced as per the following tentative schedule.

*1 st Quarter ending June, 2021	By 14 th September, 2021
2 nd Quarter & Half Year ending September, 2020	By 14 th November, 2021
3 rd Quarter ending December, 2021	By 14 th February, 2022
4 th Quarter / year ending March, 2022	Within 60 days from 31 st March, 2022
Annual General Meeting for the Year 2021-22	By September, 2022

Listing:

The Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE)

Listing Fees to Stock Exchanges:

The Listing Fees for the year 2021-22 paid to exchange.

Details relating to utilization of IPO Proceeds:

During the year, your Company did not raise any funds by way of Public Issues, Rights Issues and Preferential Issues, etc

9. Registrar and Transfer Agents
Big Share Services Private Limited

Address:

1st Floor, Bharat Tin Works Building,
 Opp. Vasant Oasis, Makwana Road,
 Marol, Andheri East,
 Mumbai 400059,
 Maharashtra Tel No: 022-40430200
 Fax No: 022-28475207
 Website: www.bigshareonline.com
 Email Id: rajeshm@bigshareonline.com

10. Share Transfer System

Pursuant to SEBI press release dated December 3, 2018, except in case of transmission or transposition of securities, requests for effecting transfer of securities after April 1, 2019, have not been processed by the Company unless the securities were held in the dematerialized form with a depository. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with BSE.

a) Distribution of Shareholding as on 31st March, 2021:

Range of Shareholding (Rs.)	Number of Shareholders	% of Total	Amount (Rs.)	% of Total
1 - 500	543	53.9761	51058	0.471
501 - 1000	158	15.7058	106055	0.9784
1001 - 2000	143	14.2147	186330	1.719
2001 - 3000	29	2.8827	70749	0.6527
3001 - 4000	17	1.6899	59703	0.5508
4001 - 5000	12	1.1928	56277	0.5192
5001 - 10000	18	1.7893	133957	1.2358
1001 and above	86	8.5487	10175601	93.8732
Total	1006	100	10839730	100

11. Shareholding Pattern (Category Wise) as on 31st March, 2021.

Particulars	Total Shareholders	% shares holders	No. of shares	% to total share
-------------	--------------------	------------------	---------------	------------------

			held	capital
Clearing Members	1	0.05	4900	0.05
Corporate Bodies	30	2.99	189599	1.75
Non Residents Indians	2	0.20	763	0.01
Promoters	3	0.30	4601564	42.45
Promoters/Director	2	0.20	346500	3.20
General Public	966	96.22	5700904	52.592
Total	1004	100	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).

- b) **Commodity price risk or foreign exchange risk and hedging activities**
Not Applicable

I. Address for Correspondences :

- **Registered Office**

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

- **Corporate Office**

Office No. 1A, Anubhava
Apartments,
Sayani road, Prabhadevi,
Mumbai – 400025
Tel No. +91-22-24302882

J. **Auditor Fees FY 2020-21:**

For the Financial year 2020-21, the total fees paid by the Company to Randhir Jhunjhunwala & Co., Statutory Auditor and all entities in the network firm/network entity of which the statutory Auditors are part thereof for the services provided by them Rs. 2,00,000/-

K. List of all credit rating obtained by the entity along with revisions thereto for all debt instruments:

Since the entity has not issued any debt instruments or any fixed deposit programme or any scheme or any proposal of listed entity involving mobilization of funds whether in india or abroad. There is no requirement to obtain the credit ratings including revision by the entity

L. Disclosures on compliance with corporate governance requirements

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 to the extent applicable to the Company. All Compliances under Part E of Schedule II and Regulation 17 to 27 of the Listing Regulations have been complied with by the Company to the extent applicable

M. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year- Nil
- b. number of complaints disposed of during the financial year-Nil
- c. number of complaints pending as on end of the financial year-Nil

N. Certificate under Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Company has obtained Certificate from Practicing Company Secretary confirming that Directors have not been debarred or not been disqualified from being appointed or continuing as Directors by SEBI/MCA or any other authority.

O. CEO/CFO Certification

As required by Regulation 17(8), the *CEO and CFO certification* is provided in this Annual Report as Annexure 7.

P. 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, 2021.

**On behalf of Board
For Hasti Finance Limited**

**Sd/-
Nitin Prabhudas Somani
DIN 00841378
Managing Director**

**Sd/-
Sonal Nitin Somani
DIN 01216993
Director**

**Mumbai.
03rd September, 2021.**

**ANNEXURE “5” TO DIRECTOR’S REPORT
FOR THE YEAR ENDED 31.03.2021**

MANAGEMENT DISCUSSION AND ANALYSIS

The ongoing COVID 19 pandemic is inflicting high human costs worldwide and the protection measures and lockdowns are severely impacting economic activity. As a result of the pandemic, the global economy is projected to contract sharply, which is worse than that during 2008-09 financial crisis.

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. 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.

The coronavirus outbreak has forced companies to re-evaluate how contact centers are leveraged, how employees deliver relevant customer experiences, where they work, and how digital channels can be used to support business continuity through the crisis and beyond. The pandemic has triggered major supply chain disruptions due to containment attempts in China and other economies across a number of industries; severe demand shocks across discretionary spend categories as well as domestic lockdowns and increasing governments pending towards relief measures might lead to financial crisis.

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. 185.826 Lacs and the Profit after Tax was Rs. 54.834 Lacs (Previous Year: Income Rs. 173.12 Lacs and Profit after Tax of Rs. 41.60 Lacs). The Company's Net Worth as on March 31, 2021 stood at Rs. 2121.01 Lacs as against 2066.1 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 Display Systems Private Limited
2. Finex Express Cargo Private Limited
3. Shirish Express Logistics Private Limited
4. Fast Train Cargo Limited

None of the above companies are identified as subsidiary, associate or Joint Venture.

DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFORE.

Not applicable as there are no significant changes in Key financial ratios of the Company.

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION

The Company's Net Worth as on March 31, 2021 stood at Rs. 2121.01 Lacs as against Rs. 2066.1 Lacs last year.

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.

FORWARD 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.

**On behalf of Board
For Hasti Finance Limited**

**Sd/-
Nitin Prabhudas Somani
DIN 00841378
Managing Director**

**Sd/-
Sonal Nitin Somani
DIN 01216993
Director**

Mumbai,
03rd September, 2021

ANNEXURE 6**CERTIFICATE ON CORPORATE GOVERNANCE**

To
The Members,
Hasti Finance Limited

We have examined the compliance of conditions of Corporate Governance by **Hasti Finance Limited** for the year ended on 31st March, 2021, as stipulated in Para E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of 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 explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations except with the following non compliances:

1. Company has violated/ Delayed regulation 18 and 20 of the SEBI(LODR) Regulations, 2015 as Chairman of Audit Committee and Stakeholders Relationship committee were not present in AGM for the f.y. 2019-20

As per the information and explanation provided by the management, there was no investor grievances remaining unattended/ pending as on 31st March 2020.

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.

Place: Mumbai
Date: 03rd Spetmeber,2021

For Somani & Associates
(Practising Company
Secretaries)

Sd/-
Poonam Somani
FCS No. F9364
C P No. 8642
UDIN No. F009364C000887934

ANNEXURE “7” TO DIRECTOR’S REPORT
FOR THE YEAR ENDED 31.03.2021
CEO/CFO CERTIFICATION

To,

The Board of Directors
Hasti Finance Limited
Chennai

- I, Raj Nitin Somani, Chief Financial Officer (CFO) of Hasti Finance Limited, to the best of my knowledge and belief, certify that:
- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2021 and to the best of our knowledge and belief that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of the our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
(1) significant changes in internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Mumbai, 3rd September, 2021

Sd/-

Mr. Raj Nitin Somani

Chief Financial Officer

Annexure - 8**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS****[Pursuant to Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,
The Members of
HASTI FINANCE LIMITED
NO. 14 IMPERIAL HOTEL COMPLEX,
NEAR ALBERT CINEMA HALL, WHANNELS ROAD,
EGMORE, CHENNAI 600008, TAMIL NADU

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hasti Finance Limited having CIN: L65191TN1994PLC028333 and having registered office at No. 14 Imperial Hotel Complex, Near Albert Cinema Hall, Whannels Road, Egmore, Chennai 600008, Tamil Nadu (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company for the Financial Year ended on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai**Date: 03rd Spetmeber,2021****For Somani & Associates**
(Practising Company Secretaries)**Sd/-****Poonam Somani****FCS No. F9364****C P No. 8642****UDIN No. F009364C000882522**

INDEPENDENT AUDITOR'S REPORT

To the members of **HASTI FINANCE LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Financial Statements of **HASTI FINANCE LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein referred to as “the standalone financial statements”)

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 Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the Auditor’s responsibilities for the audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of Ethics. 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.

Emphasis of Matter

We draw attention to the following matters:

- a) Note no 1A(iv) to the accompanying financial statements, which describes the economic and social disruption the Company is facing as a result of COVID-19 pandemic, and its possible consequential implications, on the Company's operations and financial metrics.
- b) The company has received bank attachment order from Income Tax Department on 30.01.2020 stating income tax demand of Rs.1,38,25,302/- for the year from AY 2001-02 to 2018-19. The management is in the process of rectifying the said demand. As the bank accounts are attached, no transaction was carried out through bank, during the year under consideration.

Our opinion is not modified in respect of these above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Impairment of loans to customers including write-offs</p> <p>Allowance for impairment losses on loans to customers involves significant judgement by management to determine the timing and amount of the asset to be impaired.</p> <p>Write-offs of loans to customers involves significant judgement by management regarding their realistic prospect of recovery and amount of the asset to be written off.</p> <p>Further, the economic and business consequences of the COVID-19 pandemic as described in Note 1A (iv) to the financial statements, significant social disruption and disturbance and slowdown of economic activity,</p>	<p><u>Principal Audit Procedures</u></p> <p>We assessed the appropriateness of the Company's impairment review and provisioning policy by comparing with the RBI prudential norms and applicable accounting standards;</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing:</p> <p>We evaluated and tested the design and operating effectiveness of the relevant controls over the impairment assessments and impairment allowance computations for loans and advances to customers.</p> <p>We tested the management assumptions, estimates and judgements, which could give rise to material misstatement:</p> <p>The measurement of provisions for individual instances of loans which is dependent on the valuation of security, if any provided and the collaterals against each loan, the timing of cash flows and realisations;</p>

	<p>can have possible implications on the judgements and estimates used in the measurement.</p> <p>Refer Notes 1A (iv), 2 (l), 2A (ii) and 5 to the standalone financial statements.</p>	<p>We discussed with management and scrutinised the appropriateness of those key assumptions applied in management's impairment assessment, and compared them with available external evidence where necessary.</p> <p>The measurement of modelled provisions, which is dependent upon key assumptions relating to probability of default, loss given default and expected future recoveries;</p> <p>Performed procedures to obtain comfort on the accuracy of the impairment calculation process through recalculation of the provision charge based on inputs;</p> <p>We analyzed and understood results of stress tests performed in the provisioning considering the overall impact on the estimates used for impairment assessment of loans on account of the COVID-19 pandemic.</p> <p>We enquired with the management regarding significant judgments and estimates involved in the impairment computation and additional management overlay provision arising from the effects of the COVID-19 pandemic, and evaluated the reasonableness thereof.</p> <p>Assessed accuracy and completeness of disclosures made as required by relevant accounting standards.</p>
2.	<p>Expected Credit Losses (ECL) model</p> <p>As described in the notes to the standalone financial statements, the impairment losses have been determined in accordance with Ind AS 109 Financial Instruments requiring considerable judgment and interpretation in its implementation, which also involved significant judgement by management in measuring the expected credit losses. Key areas of judgment included:</p> <p>Determining the criteria for a significant increase in credit risk ('SICR')</p> <p>Techniques used to determine the Probability of Default (PD) and Loss Given Default ('LGD')</p>	<p><u>Principal Audit Procedures</u></p> <p>We assessed the appropriateness of the Company's policy on Expected Credit Loss recognition on financial instruments with reference to the applicable accounting standards and prudential norms laid down by RBI.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing:</p> <p>We evaluated and tested the design and tested the operating effectiveness of Company's controls over the data used to determine the impairment reserve, internal credit quality assessments, external credit ratings and methodology followed for computation of ECL.</p> <p>For Expected Credit Losses computed by the management, we performed the following procedures:</p> <p>Assessed the reasonableness of assumptions and judgement made by management on model adoption and parameters selection;</p>

<p>Further, the economic and business consequences of the COVID-19 pandemic as described in Note 1A (iv) to the financial statements, significant social disruption and disturbance and slowdown of economic activity, can have possible implications on the judgements and estimates used in the measurement.</p> <p>Assumptions used in the expected credit loss model such as the financial condition of the counterparty, expected future cash flows etc.</p> <p>Refer Notes 1A (iv), 2 (l), 2A (iii), 5 and 31 to the standalone financial statements.</p>	<p>Examined the key data inputs (valuation of collateral, the timing of cash flows and realisations) to the ECL model on a sample basis to assess their accuracy and completeness;</p> <p>Evaluated and tested on sample basis the appropriateness of staging including determination of significant increase in credit risk.</p> <p>Assessed the Company's methodology for ECL provisioning, Classification and Measurement;</p> <p>We analyzed and understood results of stress tests performed in the provisioning considering the overall impact on the estimates used for ECL estimation of loans on account of the COVID-19 pandemic.</p> <p>We enquired with the management regarding significant judgments and estimates involved in the impairment computation and additional management overlay provision arising from the effects of the COVID-19 pandemic, and evaluated the reasonableness thereof.</p> <p>Assessed accuracy and completeness of disclosures made as required by relevant accounting standards.</p>
---	--

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information in the Management Discussion and Analysis, Board's Report including Annexure to the Board's Report and Corporate Governance but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 judgements and estimates that are reasonable and prudent; and the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements:

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is

higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report

unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 23 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company during the year ended March 31, 2021.

For Jhunjhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

(CA Priteesh Jitendra Jain)

Partner

Membership No. : 164931

UDIN : 21164931AAAAGC3398

Place : Mumbai

Date : June 30, 2021

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT - MARCH 31, 2021

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, 2021.

- i. In respect of its property, plant and equipment
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
 - b) Property, Plant and Equipment 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 Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that, no property held in the name of the Company.
- ii. As 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.
- iii. 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) The schedule of repayment of principal and payment of interest has not been stipulated.
 - c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- iv. 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. The Company being a nonbanking financial company, nothing contained in section 186, except sub-section (1), shall apply.

- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.
- vii. According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion:
- a) According to the information and explanation given to us, except for Self-Assessment Tax for the A. Y. 2012-13 of Rs.55,68,591/- (Excluding Interest), there are no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, GST, Custom Duty, Service Tax, Investor Education and Protection Fund, Excise Duty, Cess and any other statutory dues as at March 31, 2021 for a period of more than six months from the date of becoming payable.
- b) There were no disputed dues in respect of Sales Tax, Wealth Tax, GST, Custom Duty, Service Tax, Investor Education and Protection Fund, Excise Duty, Cess which have not been deposited. Details of dues of Income Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rs. in Hundreds) *
Income Tax Act, 1961	Income Tax	CPC/Assessing Officer	AY 2001-02 to AY 2019-20	82567.11

* Amount as per attachment cum demand orders including interest and penalty wherever indicated in the order.

- viii. 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.
- ix. 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.
- x. 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.

- xi. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii. 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.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transaction with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the notes to the standalone financial statements as required by the applicable accounting standards.
- xiv. 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.
- xv. 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.
- xvi. The Company is already registered under Section 45-IA of the Reserve Bank of India Act, 1934, as Non-Deposit taking Company vide Registration No.07.00329 dated 22nd September, 1998.

For Jhunjhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

(CA Priteesh Jitendra Jain)

Partner

Membership No. : 164931

UDIN : 21164931AAAAGC3398

Place : Mumbai

Date : June 30, 2021

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT - MARCH 31, 2021

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph (2) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **HASTI FINANCE LIMITED** ("the Company") as of March 31, 2021 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 and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone 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 internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements include 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements .

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

A material weakness is identified in the credit appraisal and its recovery. Internal Financial Control over evaluation of borrower's credit worthiness needs strengthening.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, except as mentioned in other matter above, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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 Jhunjhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

(CA Priteesh Jitendra Jain)

Partner

Membership No. : 164931

UDIN : 21164931AAAAGC3398

Place : Mumbai

Date : June 30, 2021

HASTI FINANCE LIMITED

STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

Particulars	Note no.	As at, March 31, 2021	As at, March 31, 2020
A ASSETS			
1 Financial Assets			
a. Cash and cash equivalents	3	47.22	47.93
b. Trade Receivables	4	928.56	2,338.56
c. Loans	5	14,86,920.11	14,38,439.19
d. Investments	6	2,56,367.37	2,56,367.37
		17,44,263.26	16,97,193.05
2 Non-Financial Assets			
a. Deferred Tax assets (net)	7	1,86,727.73	1,52,154.47
b. Property, Plant and Equipment	8	10,029.83	13,533.70
c. Other Non-financial assets	9	2,72,402.43	2,72,402.43
		4,69,159.99	4,38,090.60
TOTAL ASSETS		22,13,423.25	21,35,283.65
B LIABILITIES AND EQUITY			
LIABILITIES			
3 Financial Liabilities			
a. Trade Payables			
(i) total outstanding dues to micro and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro and small enterprises		36,731.61	20,128.83
		36,731.61	20,128.83
4 Non-Financial Liabilities			
a. Current Tax Liabilities (Net)	10	51,214.00	44,338.48
b. Provisions	11	4,311.96	4,311.96
c. Other non-financial liabilities	12	152.25	325.71
		55,678.21	48,976.15
5 EQUITY			
a. Equity Share Capital	13	10,83,973.00	10,83,973.00
b. Other Equity	14	10,37,040.43	9,82,205.67
		21,21,013.43	20,66,178.67
TOTAL LIABILITIES and EQUITY		22,13,423.25	21,35,283.65

Summary of significant accounting policies

2

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date
For Jhunjhunwala Jain & Associates LLP
 Chartered Accountants
 Firm Registration No: 113675W

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

(CA Priteesh Jitendra Jain)
 Partner
 Membership No : 164931

(Nitin Prabhudas Somani)(Sonal Nitin Somani)
 Managing Director Director
 DIN: 00841378 DIN: 01216993

(Raj Nitin Somani)
 Chief Financial Officer

Place : Mumbai
 Date : 30th June, 2021

Place : Mumbai
 Date : 30th June, 2021

HASTI FINANCE LIMITED

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

Particulars	Note no.	For the year ended March 31, 2021	For the year ended March 31, 2020
1 Revenue			
a. Revenue from operations			
i Interest income	15	1,85,826.92	1,67,793.40
ii Sale of Services	16	-	5,330.35
Total revenue		1,85,826.92	1,73,123.75
2 Expense			
a. Impairment on financial instruments	17	1,37,346.01	1,01,066.46
b. Net Loss on derecognition of financial instruments under amortised cost category		-	-
c. Employee benefit expenses	18	4,200.00	10,396.73
d. Depreciation and amortisation expenses	19	3,503.87	4,727.92
e. Other expenses	20	13,640.02	30,047.22
Total expenses		1,58,689.90	1,46,238.33
3 Profit before tax (1-2)		27,137.02	26,885.42
4 Tax expense			
a. Current Tax	21	6,875.52	9,048.82
b. Deferred tax charge/ (benefits)	21	(34,573.26)	(23,765.09)
Total tax expense		(27,697.74)	(14,716.27)
5 Profit for the year (3-4)		54,834.76	41,601.69
6 Other comprehensive income, net of tax			
Items that will not be classified to profit or loss			
a. Remeasurement gain/ (loss) on defined benefit plans		-	(2,585.84)
Income tax relating to remeasurement (gain)/loss on above		-	636.44
b. Equity instruments through other comprehensive income		-	-
Income tax relating to FVTOCI to equity investments		-	(3,165.45)
		-	(5,114.85)
Other comprehensive profit for the year		-	(5,114.85)
7 Total comprehensive profit for the year (5+6)		54,834.76	36,486.84
Earnings per equity share:	22		
- Basic		0.51	0.38
- Diluted		0.51	0.38

Summary of significant accounting policies

2

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date

For Jhunhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

(CA Priteesh Jitendra Jain)

Partner

Membership No : 164931

For and on behalf of the Board of Directors

For Hasti Finance Limited

(Nitin Prabhudas Somani) (Sonal Nitin Somani)

Managing Director

DIN: 00841378

Director

DIN: 01216993

(Raj Nitin Somani)

Chief Financial Officer

Place : Mumbai

Date : 30th June, 2021

Place : Mumbai

Date : 30th June, 2021

HASTI FINANCE LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	27,137.02	26,885.42
Adjustments for:		
Depreciation and amortisation expense	3,503.87	4,727.92
Impairment on financial instruments	1,37,346.01	1,01,066.46
Operating profit before working capital changes	1,67,986.90	1,32,679.80
<i>Changes in working capital</i>		
Adjustments for (increase) / decrease in operating assets:		
Loan financing	(1,85,826.92)	(1,54,773.20)
Other non- financial assets	-	531.00
Trade receivables	1,410.00	10,933.63
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	16,602.78	5,466.95
Other non- financial liabilities	(173.46)	0.71
Cash flow from operating activities post working capital changes	(0.70)	(5,161.11)
Income- tax paid	-	(2,305.24)
Net cash flow from operating activities (A)	(0.70)	(7,466.35)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash used in investing activities (B)	-	-
C CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash flow from financing activities (C)	-	-
Increase in cash and cash equivalents (A+B+C)	(0.70)	(7,466.35)
Cash and cash equivalents at the beginning of the year	47.93	7,514.28
Cash and cash equivalents at the end of the year	47.22	47.93

Summary of significant accounting policies

2

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date

For Jhunjhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

(CA Priteesh Jitendra Jain)

Partner

Membership No : 164931

For and on behalf of the Board of Directors

For Hasti Finance Limited

(Nitin Prabhudas Somani)(Sonal Nitin Somani)

Managing Director

DIN: 00841378

Director

DIN: 01216993

(Raj Nitin Somani)

Chief Financial Officer

Place : Mumbai

Date : 30th June, 2021

Place : Mumbai

Date : 30th June, 2021

HASTI FINANCE LIMITED

Standalone Statement of changes in equity as at March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

A Equity Share Capital		
	No. of Shares	Amount
Equity Shares of Rs.10/- each, Issued, Subscribed and Fully Paid Up:		
As at April 1, 2019	1,08,39,730	10,83,973.00
Issued during the year	-	-
As at March 31, 2020	1,08,39,730	10,83,973.00
Issued during the year	-	-
As at March 31, 2021	1,08,39,730	10,83,973.00

B Other Equity						
	Reserves and Surplus					Total
	Securities Premium Reserve	Statutory Reserve	Capital Reserve	Equity instruments through other comprehensive income	Retained Earnings	
As at April 1, 2019	11,30,846.00	74,885.00	18,870.00	(2,81,542.46)	2,660.29	9,45,718.83
Add: Profit for the year	-	-	-	-	41,601.69	41,601.69
Add [Less]: Other Comprehensive income	-	-	-	(3,165.45)	(1,949.40)	(5,114.85)
Total Comprehensive Income	-	-	-	(3,165.45)	39,652.29	36,486.84
Transfer to Statutory Reserve	-	8,320.00	-	-	(8,320.00)	-
As at March 31, 2020	11,30,846.00	83,205.00	18,870.00	(2,84,707.91)	33,992.58	9,82,205.67
As at April 1, 2020	11,30,846.00	83,205.00	18,870.00	(2,84,707.91)	33,992.58	9,82,205.67
Add: Profit for the year	-	-	-	-	54,834.76	54,834.76
Add [Less]: Other Comprehensive income	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	54,834.76	54,834.76
Transfer to Statutory Reserve	-	18,128.19	-	-	(18,128.19)	-
As at March 31, 2021	11,30,846.00	1,01,333.19	18,870.00	(2,84,707.91)	70,699.15	10,37,040.43

Summary of significant accounting policies

2

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date

For Jhunjhunwala Jain & Associates LLP

Chartered Accountants

Firm Registration No: 113675W

(CA Priteesh Jitendra Jain)

Partner

Membership No : 164931

For and on behalf of the Board of Directors

For Hasti Finance Limited

(Nitin Prabhudas Somani) (Sonal Nitin Somani)

Managing Director

DIN: 00841378

Director

DIN: 01216993

(Raj Nitin Somani)

Chief Financial Officer

Place : Mumbai

Date : 30th June, 2021

Place : Mumbai

Date : 30th June, 2021

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

3. Cash and cash equivalents	As at March 31, 2021	As at March 31, 2020
Cash on hand	9.42	9.42
Balances with banks: - in current accounts	37.80	38.51
	47.22	47.93

4. Trade Receivables	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Unsecured, considered good*		
- Upto 180 days past due	-	928.56
- More than 180 days	928.56	1,410.00
	928.56	2,338.56
Less: Allowance for impairment loss allowance	-	-
	928.56	2,338.56

* The amount is due from directors and their associate concerns

5. Loans	As at March 31, 2021	As at March 31, 2020
At amortised cost		
(i) Term loans*	15,82,154.98	14,19,152.43
(ii) Loans repayable on demand	2,40,654.21	2,17,829.84
Total - Gross	18,22,809.19	16,36,982.27
Less: Impairment loss allowance		
(i) Term loans	2,97,867.49	1,60,749.73
(ii) Loans repayable on demand	38,021.59	37,793.35
Total - Net	14,86,920.11	14,38,439.19
(i) Secured	-	-
(ii) Unsecured	18,22,809.19	16,36,982.27
Total - Gross	18,22,809.19	16,36,982.27
Less: Impairment loss allowance	3,35,889.08	1,98,543.08
Total - Net	14,86,920.11	14,38,439.19
Loans to Related Parties (Unsecured)		
(i) Term loans*	97,702.72	86,805.06
(ii) Loans repayable on demand	2,04,679.41	1,81,855.04
Total - Gross	3,02,382.13	2,68,660.10
Less: Impairment loss allowance		
(i) Term loans	977.03	868.05
(ii) Loans repayable on demand	2,046.79	1,818.55
Total - Net	2,99,358.31	2,65,973.50
Loans in India**		
(i) Public sector	-	-
(ii) Others	18,22,809.19	16,36,982.27
Total - Gross	18,22,809.19	16,36,982.27
Less: Impairment loss allowance	3,35,889.08	1,98,543.08
Total - Net	14,86,920.11	14,38,439.19

* Includes interest accrued

** The Company does not hold any loans outside India

The net carrying amount of loans is considered a reasonable approximation of their fair value

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

6.	Investments	As at March 31, 2021				As at March 31, 2020			
		Fair value through statement of profit and loss (FVTPL)	At fair value through other comprehensive income (FVOCI)	At Cost	Total	Fair value through statement of profit and loss (FVTPL)	At fair value through other comprehensive income (FVOCI)	At Cost	Total
	Investments in India								
	Investment in equity instruments								
	(a) Investment in other companies								
	635,000 (March 31, 2020: 635,000) equity shares of Rs. 10 held in Fast Train Cargo Limited	-	2,32,481.73	-	2,32,481.73	-	2,32,481.73	-	2,32,481.73
	1,900 (March 31, 2020: 1,900) equity shares of Rs. 10 held in Finex Express Cargo Pvt Ltd	-	16,043.07	-	16,043.07	-	16,043.07	-	16,043.07
	1,900 (March 31, 2020: 1,900) equity shares of Rs. 10 held in Shirish Express Logistics Pvt Ltd	-	7,842.57	-	7,842.57	-	7,842.57	-	7,842.57
	1,900 (March 31, 2020: 1,900) equity shares of Rs. 10 held in Spider Display Systems Pvt Ltd	-	-	-	-	-	-	-	-
	Total Investments (A)	-	2,56,367.37	-	2,56,367.37	-	2,56,367.37	-	2,56,367.37
	Less: Allowance for Impairment Loss (B)	-	-	-	-	-	-	-	-
	Total Net C= (A)-(B)	-	2,56,367.37	-	2,56,367.37	-	2,56,367.37	-	2,56,367.37

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

7. Deferred Tax assets (net)	As at March 31, 2021	As at March 31, 2020
Tax effect of items constituting deferred tax assets		
Difference between book balance and tax balance of property, plant and equipment	5,351.06	5,345.05
Impairment on financial instruments	84,536.57	49,969.32
Provision for diminution in value of unquoted non-current investments	95,754.87	95,754.87
Provision for employees benefits	1,085.23	1,085.23
	1,86,727.73	1,52,154.47
Tax effect of items constituting deferred tax liabilities		
	-	-
	1,86,727.73	1,52,154.47

Deferred taxes arising from temporary differences for the year ended 31 March 2021 are summarized as follows:

Deferred Tax assets (net)	As at April 1, 2020	Recognized in profit or loss	Recognized in other comprehensive income	As at March 31, 2021
Tax effect of items constituting deferred tax assets				
Difference between book balance and tax balance of property, plant and equipment	5,345.05	6.01	-	5,351.06
Impairment on financial instruments	49,969.32	34,567.25	-	84,536.57
Provision for diminution in value of unquoted non-current investments	95,754.87	-	-	95,754.87
Provision for employees benefits	1,085.23	-	-	1,085.23
Carry forward of unused tax credits	-	-	-	-
	1,52,154.47	34,573.26	-	1,86,727.73
Tax effect of items constituting deferred tax liabilities				
	-	-	-	-
	1,52,154.47	34,573.26	-	1,86,727.73

8. Property, Plant and Equipment	Furniture and Fixtures	Computers	Total
Gross carrying amount (at cost)			
As at April 1, 2019	60,423.49	9,541.06	69,964.55
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2020	60,423.49	9,541.06	69,964.55
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2021	60,423.49	9,541.06	69,964.55
Accumulated depreciation			
As at April 1, 2019	42,161.87	9,541.06	69,964.55
Charge for the year	4,727.92	-	4,727.92
Adjustments	-	-	-
As at March 31, 2020	46,889.79	9,541.06	74,692.47
Charge for the year	3,503.87	-	3,503.87
Adjustments	-	-	-
As at March 31, 2021	50,393.66	9,541.06	78,196.34
Carrying amount			
As at March 31, 2020	13,533.70	-	13,533.70
As at March 31, 2021	10,029.83	-	10,029.83

9. Other Non-financial assets	As at March 31, 2021	As at March 31, 2020
Capital advances	2,72,402.43	2,72,402.43
	2,72,402.43	2,72,402.43

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

10. Current Tax Liabilities (Net)	As at March 31, 2021	As at March 31, 2020
Tax Liabilities		
Provision for Income Tax	64,739.89	57,864.37
Tax Assets		
Advance Income Tax	13,525.89	13,525.89
	51,214.00	44,338.48
11. Provisions	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity	4,311.96	4,311.96
	4,311.96	4,311.96
12. Other non-financial liabilities	As at March 31, 2021	As at March 31, 2020
Statutory dues	152.25	325.71
	152.25	325.71
13. Equity Share Capital	As at March 31, 2021	As at March 31, 2020
Authorised Equity share capital		
12,010,000 (March 31, 2020: 12,010,000) equity shares of Rs.10 each	12,01,000.00	12,01,000.00
	12,01,000.00	12,01,000.00
Issued, subscribed and paid up Equity share capital		
10,839,730 (March 31, 2020: 10,839,730) equity shares of Rs.10 each	10,83,973.00	10,83,973.00
	10,83,973.00	10,83,973.00

Each holder of equity shares is entitled to one vote per share and ranks pari passu. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(i) **Movement in issued, subscribed and paid up Equity Share Capital**

Particulars	Equity Share Capital	
	No. of shares	Amount
As at April 1, 2019	1,08,39,730	10,83,973
Add: Equity shares issued during the year	-	-
As at March 31, 2020	1,08,39,730	10,83,973
Add: Equity shares issued during the year	-	-
As at March 31, 2021	1,08,39,730	10,83,973

(ii) **Shareholders holding more than 5% shares are set out below:**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Equity Shares	% Holding	Equity Shares	% Holding
Nitin Prabhudas Somani	20,21,896	18.65%	20,21,896	18.65%
Sonal Nitin Somani	25,79,668	23.80%	25,79,668	23.80%

(iii) The Company has neither issued equity shares pursuant to contract without payment being received in cash nor any bonus shares in the current year and five years immediately preceding the balance sheet date.

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

14. Other Equity	As at March 31, 2021	As at March 31, 2020
Securities premium account	11,30,846.00	11,30,846.00
Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)	1,01,333.19	83,205.00
Capital Reserve	18,870.00	18,870.00
Equity instruments through other comprehensive income	(2,84,707.91)	(2,84,707.91)
Retained Earnings	70,699.15	33,992.58
Total	10,37,040.43	9,82,205.67

(i) Securities premium account	As at March 31, 2021	As at March 31, 2020
Opening Balance	11,30,846.00	11,30,846.00
Add: Amount received pursuant to issue of equity shares	-	-
Closing balance	11,30,846.00	11,30,846.00

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the relevant statutes.

(ii) Statutory reserve (in terms of Section 45-IC of the Reserve Bank of India Act, 1961)	As at March 31, 2021	As at March 31, 2020
Opening Balance	83,205.00	74,885.00
Add: Transferred from Retained earnings	18,128.19	8,320.00
Closing balance	1,01,333.19	83,205.00

This reserve is maintained in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1961

(iii) Capital Reserve	As at March 31, 2021	As at March 31, 2020
Opening Balance	18,870.00	18,870.00
Add: Created during the year	-	-
Closing balance	18,870.00	18,870.00

(iv) Equity instruments through other comprehensive income	As at March 31, 2021	As at March 31, 2020
Opening Balance	(2,84,707.91)	(2,81,542.46)
Add: Change in fair value of FVOCI equity investments	-	(3,165.45)
Add/less: Tax impact	-	-
Closing balance	(2,84,707.91)	(2,84,707.91)

The Company has elected to recognise changes in fair value of equity investments in other comprehensive income. These changes are accumulated within the "Reserve for equity instruments through other comprehensive income". The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(v) Retained Earnings	As at March 31, 2021	As at March 31, 2020
Opening balance	33,992.58	2,660.29
Add: Net profit for the year	54,834.76	41,601.69
Add: Remeasurement of post-employment benefit obligation, net of tax	-	(1,949.40)
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934 (CY)	(10,966.95)	(8,320.00)
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934 (FY 2017-18)	(4,955.02)	-
Less: Transferred to statutory reserve u/s 45-IC of the Reserve Bank of India Act, 1934 (FY 2018-19)	(2,206.22)	-
Closing balance	70,699.15	33,992.58

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

15.	Interest income	For the year ended	For the year ended
	Interest income from loan financing	1,85,826.92	1,67,793.40
		1,85,826.92	1,67,793.40
16.	Sale of Services	For the year ended	For the year ended
	Supervision Charges	-	5,330.35
		-	5,330.35
17.	Impairment on financial instruments	For the year ended	For the year ended
	Impairment loss on financial instruments based on category of financial instrument:		
	Loans*	1,37,346.01	1,01,066.46
		1,37,346.01	1,01,066.46
18.	Employee benefit expenses	For the year ended	For the year ended
	Managerial Remuneration	4,200.00	4,200.00
	Salary to Employees	-	6,196.73
		4,200.00	10,396.73
19.	Depreciation and amortisation expenses	For the year ended	For the year ended
	Depreciation on Tangible Assets	3,503.87	4,727.92
		3,503.87	4,727.92
20.	Other expenses	For the year ended	For the year ended
	Administration expenses		
	Payment to Auditors		
	- Statutory Audit	1,500.00	1,770.00
	- For quarterly audit/limited review	500.00	590.00
	AGM Expenses	-	85.00
	Power & Fuel	-	93.43
	Legal & Professional Consultancy Fees	2,470.00	3,970.72
	Printing & Stationary	218.39	1,217.28
	Bank Charges	0.71	33.00
	Rent, Rates & Taxes	2,160.00	2,160.00
	Telephone, Postage & Telegram Expenses	-	1,371.68
	Office & General Expenses	-	531.80
	Travelling & Conveyance Expenses	30.22	4,667.54
	Depository Services Fees	1,698.46	707.86
	Stock Exchange Fees	3,000.00	3,540.00
	Transfer Agent Fees	620.00	1,070.31
	Interest & Penalty on TDS	20.34	97.78
	Interest on Late Payment related to security services	71.70	29.50
	BSE Fine for delay in compliance	-	8,111.32
	GST on Expenses	1,212.94	-
	Prior Period Expenses	137.26	-
		13,640.02	30,047.22

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

21. Income Tax Expenses	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax		
In respect of the current year	6,875.52	9,048.82
	6,875.52	9,048.82
Deferred tax charge/ (benefits)		
In respect of the current year	(34,573.26)	(23,765.09)
	(34,573.26)	(23,765.09)

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate and the reported tax expense in statement of profit and loss, is as follows:-

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	27,137.02	26,885.42
Domestic tax rate	25.168%	25.168%
Expected tax expense [A]	6,830.00	6,767.00
Adjustment for tax-exempt income/ non-deductible expenses	(34,527.74)	(24,672.09)
Others	-	3,188.82
Total adjustments [B]	(34,527.74)	(21,483.27)
Actual tax expense [C=A+B]	(27,697.74)	(14,716.27)
Tax expense comprises:		
Current tax expense	6,875.52	9,048.82
Deferred tax credit	(34,573.26)	(23,765.09)
Tax expense recognized in profit or loss [D]	(27,697.74)	(14,716.27)

Income tax expense recognized in other comprehensive income

Particulars	For the year ended	For the year ended
Income tax relating to remeasurement gains/(losses) on defined benefit plans	636.44	636.44
	636.44	636.44
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	636.44	636.44
Items that will be reclassified to profit or loss	-	-
	636.44	636.44

22. Earnings per share	For the year ended	For the year ended
a) Basic earnings per share (In Rs.)		
Profit attributable to the equity holders of the company	54,834.76	41,601.69
Weighted average number of equity shares used as the denominator	1,08,39,730	1,08,39,730
	0.51	0.38
b) Diluted earnings per share (In Rs.)		
Profit attributable to the equity holders of the company	54,834.76	41,601.69
Weighted average number of equity shares used as the denominator	1,08,39,730	1,08,39,730
	0.51	0.38

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

23 Contingent liabilities and commitments

Particulars	For the year ended	For the year ended
a) In respect of following:		
- Income tax matters *	1,53,668.19	55,685.91
	1,53,668.19	55,685.91

The above matters are subject to legal proceedings in the ordinary course of business. The legal proceeding when ultimately concluded will not, in the opinion of the management, have a material effect on financial position of the Company. Amount above does not include the contingencies the likelihood of which is remote.

24 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006*

The Company has not received any intimation from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amount unpaid as at the yearend together with interest paid / payable as required under the said act have not been given.

25 Capital Advances

The company has long due capital advances of Rs.2.72 Crores towards purchase of property as at the balance sheet date. The documentary evidence for the current status of the said advances were not received. However, the amount of non-recovery is not ascertainable. These are the advances made for the acquisition of property but the agreement is not yet executed as at the balance sheet date hence the same is shown as capital advances.

26 Disclosures under Ind AS 19 (Employee benefits)

Defined benefit plans

The most recent actuarial valuation of the present value of the defined benefit obligation as at March 31, 2020 were carried out by Mr. A P Peethambaran (FIAI M.No. 00133) , Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method. The company has not obtained the actuarial report as at March 31, 2021.

27 Segment Reporting

The Company has single reportable segment "Financing Activity " for the purpose of Ind AS 108 on "Segment Reporting" as per section 133 of the Companies Act, 2013.

28 Related party disclosures

List of related parties and nature of relationship

Nature of Relationship	Name of Related Party
Key Management Personnel	Nitin Prabhudas Somani, Managing Director
	Sonal Nitin Somani, Executive Director
	Raj Nitin Somani, Chief Financial Officer
	Abhinav Gupta, Company Secretary
Independent/ Non Executive Directors	Vilas Shankar Daware
	Vishal Buddhdev
	Khairu Imam Pappuwale

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

Enterprises over which the Company or its Key management personnel is able to exercise significant influence	Shree Fast Courier & Cargo Private Limited
	Fast Train Cargo Limited
	First International Hotel Private Limited
	Fast Realty Private Limited
	Safemode Cargo Private Limited
	Finex Express Cargo Pvt Ltd
	Cospar Finvest Private Limited
	Somani Realty Private Limited
	Kisan Commodities Private Limited
	Genio Kids Education India Private Limited
	Somani Developers
Somani Realty	

Transactions with the key management personnel during the year:

Name of KMP	Nature of Transaction	For the year ended	For the year ended
		March 31, 2021	March 31, 2020
Nitin Prabhudas Somani	Remuneration		
	Short-term benefits	1,200.00	1,200.00
	Post-employment benefits	-	-
	Other long-term benefits	-	-
		<u>1,200.00</u>	<u>1,200.00</u>
	Office Rent Paid	1,560.00	1,560.00
		<u>2,760.00</u>	<u>2,760.00</u>
Sonal Nitin Somani	Remuneration		
	Short-term benefits	1,200.00	1,200.00
	Post-employment benefits	-	-
	Other long-term benefits	-	-
	<u>1,200.00</u>	<u>1,200.00</u>	
Raj Nitin Somani	Remuneration		
	Short-term benefits	1,800.00	1,800.00
	Post-employment benefits	-	-
	Other long-term benefits	-	-
	<u>1,800.00</u>	<u>1,800.00</u>	

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

Transaction with the Other Related Parties

Name of Related Party	Nature of Transaction	For the year ended March 31, 2021	For the year ended March 31, 2020
	Unsecured loan given		
	Balance at beginning of the year	86,805.06	77,122.92
Finex Express Cargo Pvt Ltd	Interest Income	10,897.66	9,682.14
	Loan repayments received	-	-
	Balance at end of the year	97,702.72	86,805.06
	Impairment loss allowance	977.03	868.05
	Unsecured loan given		
	Balance at beginning of the year	1,81,855.04	1,63,096.87
Safe Mode Cargo Pvt Ltd	Interest Income	22,824.37	20,845.34
	Loan given	-	9,342.33
	Loan repayments received	-	11,429.50
	Balance at end of the year	2,04,679.41	1,81,855.04
	Impairment loss allowance	2,046.79	1,818.55
	Supervision Charges Received		
Somani Developers	Balance at beginning of the year	513.04	1,225.00
	Supervision Charges Received	-	2,846.60
	Balance at end of the year	513.04	513.04
	Supervision Charges Received		
Somani Realty	Balance at beginning of the year	415.52	1,767.19
	Supervision Charges Received	-	2,483.75
	Balance at end of the year	415.52	415.52
	Investments in Equity Shares at FVOCI		
Finex Express Cargo Pvt Ltd	Balance at beginning of the year	16,043.07	16,043.07
	Balance at end of the year	16,043.07	16,043.07
	Investments in Equity Shares at FVOCI		
Fast Train Cargo Limited	Balance at beginning of the year	2,32,481.73	2,32,481.73
	Balance at end of the year	2,32,481.73	2,32,481.73

29 Categories of financial instruments

The Carrying value of financial assets and liabilities are as follows :-

As at March 31, 2021	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	47.22	47.22
Trade Receivables	-	-	928.56	928.56
Loans	-	-	14,86,920.11	14,86,920.11
Investments	-	2,56,367.37	-	2,56,367.37
Total Financial Assets	-	2,56,367.37	14,87,895.89	17,44,263.26
Financial Liabilities				
Trade Payables	-	-	36,731.61	36,731.61
Total Financial Liabilities	-	-	36,731.61	36,731.61

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

As at March 31, 2020	Fair value through P&L	Fair value through OCI	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	47.93	47.93
Trade Receivables	-	-	2,338.56	2,338.56
Loans	-	-	14,38,439.19	14,38,439.19
Investments	-	2,56,367.37	-	2,56,367.37
Total Financial Assets	-	2,56,367.37	14,40,825.68	16,97,193.05
Financial Liabilities				
Trade Payables	-	-	20,128.83	20,128.83
Total Financial Liabilities	-	-	20,128.83	20,128.83

30 Fair value measurement of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the Statement of Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

As at March 31, 2021	Carrying Amount	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis					
Financial Assets					
Cash and cash equivalents	47.22	47.22	-	-	47.22
Trade Receivables	928.56	-	-	928.56	928.56
Loans	14,86,920.11	-	-	14,86,920.11	14,86,920.11
Investments	2,56,367.37	-	2,56,367.37	-	2,56,367.37
Total Financial Assets	17,44,263.26	47.22	2,56,367.37	14,87,848.67	17,44,263.26
Financial Liabilities					
Trade Payables	36,731.61	-	-	36,731.61	36,731.61
Total Financial Liabilities	36,731.61	-	-	36,731.61	36,731.61

As at March 31, 2020	Carrying Amount	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis					
Financial Assets					
Cash and cash equivalents	47.93	47.93	-	-	47.93
Trade Receivables	2,338.56	-	-	2,338.56	2,338.56
Loans	14,38,439.19	-	-	14,38,439.19	14,38,439.19
Investments	2,56,367.37	-	2,56,367.37	-	2,56,367.37
Total Financial Assets	16,97,193.05	47.93	2,56,367.37	14,40,777.75	16,97,193.05
Financial Liabilities					
Trade Payables	20,128.83	-	-	20,128.83	20,128.83
Total Financial Liabilities	20,128.83	-	-	20,128.83	20,128.83

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:-

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments, as described below:

a) The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, probability of default and loss given default estimates. Credit risk is derived from market observable data. Where such information is not available, the Company uses historical experience and other information used in its collective impairment models.

b) The book value method using latest available audited financial statements of investee company is used to fair value investments in unquoted equity instruments

Trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, current borrowings, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. as such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

31 Financial risk management

i) Risk Management

The Company's activities expose it to credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Loan receivables, Cash and bank balances, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Expected loss analysis	Credit risk analysis, diversification of customers/asset base, credit limits and collateral.

The Board has the overall responsibility of risk management.

A) Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company has not established adequate internal risk management process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Further, the credit quality review process is not effectively working.

Credit risk arises from loans financing, cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions, as shown below:

Particulars	Balance as at March 31,2021	Balance as at March 31,2020
Cash and cash equivalents	47.22	47.93
Trade Receivables	928.56	2,338.56
Loans	14,86,920.11	14,38,439.19

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

a) Credit risk management

From credit risk perspective, the Company's lending portfolio can be segregated into following broad categories:

- (i) Low credit risk
- (ii) Moderate credit risk
- (iii) High credit risk

The company provides for expected credit loss based on the following:

Risk	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents, trade receivables, and loans	12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss or 12 month expected credit loss
High credit risk	Loans	Life time expected credit loss or fully provided for

Financial assets that expose the entity to credit risk*

Particulars	Balance as at March 31, 2021	Balance as at March 31, 2020
Low credit risk		
Cash and cash equivalents	47.22	47.93
Trade Receivables	928.56	2,338.56
Moderate credit risk		
Loans	17,86,834.39	16,01,007.47
High credit risk		
Loans	35,974.80	35,974.80

* These represent gross carrying values of financial assets, without deduction for expected credit losses

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country

Trade receivables

Trade receivables measured at amortized cost and credit risk related to these are managed by monitoring the recoverability of such amounts continuously.

Loans

Credit risk related to borrower's are mitigated by considering profile and business prospect of the borrower's. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become one year past due.

b) Expected credit loss for loans

Credit risk measurement

The Company measures credit risk of its exposure using Internal ratings are based on board approved policy that guides credit analysis to place borrowers in watch list based on specific risk factors such as project progress schedule etc.

Expected credit loss measurement

First step involved in ECL computation is staging of the assets into three categories. Staging of the financial assets depend on the deterioration of the credit quality of the assets over its lifetime. Performing assets fall under Stage I, Underperforming assets fall under Stage II and Impaired assets(non-performing) fall under Stage III.

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

The following points were considered for stage wise classification of credit exposures:

1. Stage III exposures were exposures where actual default events have occurred i.e. all credit exposures classified as Doubtful or Sub-Standard, or where significant deterioration in credit quality was envisaged.
2. Stage II exposure were exposures which were not considered impaired asset but were classified as 'Stressed Accounts' or were flagged as High-Risk Category.
3. All other accounts not meeting the first two criteria were classified as Stage 1 accounts.

Credit risk exposure and impairment loss allowance

Particulars	As at March 31, 2021		As at March 31, 2020	
	Exposure	Impairment allowance	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage III)	35,974.80	35,974.80	35,974.80	35,974.80
Loan assets having significant increase in credit risk (Stage II)	14,84,452.26	2,96,890.46	-	-
Other loan assets (Stage I)	3,02,382.13	3,023.82	16,01,007.47	1,62,568.28
Total	18,22,809.19	3,35,889.08	16,36,982.27	1,98,543.08

Loss allowance

The loss allowance recognized in the period is impacted by a variety of factors, as described below:

- * Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit impaired in the period, and the consequent "step up" (or "step down") between 12-month and Lifetime ECL.
- * Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period
- * Impact on the measurement of ECL due to changes arising from regular refreshing of inputs to models
- * Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period

The following tables explain the changes in the loss allowance between the beginning and the end of the annual period due to these factors:

Loss allowance	Stage 1 12 month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loans to customers at amortised Cost				
Balance as at April 1, 2019	61,501.82	-	35,974.80	97,476.62
Transfer to 12 months ECL	1,01,066.46	-	-	1,01,066.46
Transfer to Lifetime ECL credit impaired	-	-	-	-
Movement of loss allowance during the year	-	-	-	-
Write offs	-	-	-	-
Balance as at March 31, 2020	1,62,568.28	-	35,974.80	1,98,543.08
Transfer to 12 months ECL	337.22	-	-	337.22
Transfer to Lifetime ECL credit impaired	-	1,37,008.78	-	1,37,008.78
Movement of loss allowance during the year	(1,59,881.68)	1,59,881.68	-	-
Write offs	-	-	-	-
Balance as at March 31, 2021	3,023.82	2,96,890.46	35,974.80	3,35,889.08

HASTI FINANCE LIMITED

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in Hundreds of Rs. unless otherwise stated)

Write off policy

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

c) Expected credit losses for financial assets other than loans and derivative financial instruments

Company provides for expected credit losses on financial assets other than loans by assessing individual financial losses:

* For cash and cash equivalents - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents is evaluated as very low.

* For other financial assets - credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.

- 32 There were no disputed dues in respect of Excise Duty, Sales Tax, Service Tax, Customs Duty, Goods & Services Tax and Value Added Tax which have not been deposited. Details of dues of Income Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of statute	Nature of Dues	Forum where dispute is pending	Period to which demand relates	Amount Involved
Income Tax Act,1961	Income Tax	CPC/ Assessing Officer	AY 2001-02 to AY 2019-20	82567.11

* The company has received bank attachment order from Income Tax Department on 30.01.2020 stating income tax demand of Rs.1,38,25,302/- for the year from AY 2001-02 to 2018-19. The management is in the process of rectifying the said demand.

- 33 The company has not incurred expenses in foregin currency.

34 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

As per our report of even date
For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm Registration No: 113675W

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

(CA Priteesh Jitendra Jain)
Partner
Membership No : 164931

(Nitin Prabhudas Somani)
Managing Director
DIN: 00841378

(Sonal Nitin Somani)
Director
DIN: 01216993

(Raj Nitin Somani)
Chief Financial Officer

Place : Mumbai
Date : 30th June, 2021

Place : Mumbai
Date : 30th June, 2021