

# 2nd Annual Report 1998 - 99



**NEEDS FINVEST LIMITED**

Flat No. 12, 3rd Floor, Krishna Complex,  
D. No. 4-1-938, Tilak Road,  
Abids, Hyderabad-500 001.

NEEDS FINVEST LIMITED

REGISTERED OFFICE

Flat No.12, 3rd Floor,  
Krishna Complex,  
D.No.4-1-938, Tilak Road,  
Abids, Hyderabad.

BOARD OF DIRECTORS

Smt. K. Varalakshmi  
Sri K. V.Reddy Pantulu  
Sri G. Ramamurthi  
Sri B. Ashwini Kumar

Managing Director  
Wholetime Director  
Director  
Director

AUDITORS

M/s.P.S.N.Ravishanker & Associates  
Chartered Accountants  
Flat No.205, B-Block  
Kushal Towers, Khairatabad  
Hyderabad.

BANKERS

The Federal Bank Limited,  
Abids Branch, Orient Estate,  
Abids, Hyderabad-500 001.

## NEEDS FINVEST LIMITED

NOTICE is hereby given that the Second Annual General Meeting of M/s.NEEDS FINVEST LIMITED will be held on 3rd July, 1999 at 11.00 a.m. at the Registered Office of the Company at Flat No.12, III Floor, Krishna Complex, Tilak Road, Abids, Hyderabad to transact the following business.

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 1999 and the Balance Sheet as on that date and the Directors and Auditors Report thereon.
2. To appoint a Director in place of Sri B. Ashwini Kumar who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri G. Ramamurthi who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution :

RESOLVED THAT M/s.P.S.N. RAVISHANKER & ASSOCIATES, Chartered Accountants, the retiring Auditors be and are hereby appointed as the auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company, in addition to the payment for other services and reimbursement of actual out of pocket expenses.

### SPECIAL BUSINESS :

5. To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution :

RESOLVED that U/s.269, 198, 309 and any other applicable provisions and Schedule XIII of the Companies Act, 1956, Smt.K. Varalakshmi, the Managing Director of the company be and is hereby be paid the monthly remuneration at the enhanced rates with effect from 01.04.1999 for the period of her appointment as the Managing Director of the Company, i.e., upto 30.04.2002, as approved by the Board of Directors at its meeting held on 01.04.1999 and as set out below:

	Rs.
Basic Salary	7,500
H.R.A.	3,750
Conveyance	2,250
Medical Allowance	1,500
	-----
Total :	15,000
	=====

6. To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution :

RESOLVED that U/s.269, 198, 309 and any other applicable provisions and Schedule XIII of the Companies Act, 1956, Sri.K.V. Reddy Pantulu the Wholetime Director of the company be and is hereby be paid a monthly remuneration at the enhanced rates with effect from 01.04.1999 for the period of his appointment as the Wholetime Director of the Company, i.e., upto 31.03.2003, as approved by the Board of Directors at its meeting held on 01.04.1999 and as set out below:

	Rs.
Basic Salary	3,750
H.R.A.	1,875
Conveyance	1,125
Medical Allowance	750
	-----
Total :	7,500
	=====

Item - 5 & 6 :

Explanatory Statement pursuant to sec.173(2) of the Companies Act, 1956:

During the year 1997-98 the company has carried on activities only for 3 months whereas during the year 1998-99 the company has carried on the activities for the whole year. The volume of activities during the year 1998-99 have increased several times when compared to the activities for the 3 months period ending on 31.03.1998. Hence the work load of the Directors who are working on a wholetime basis has increased significantly. Hence it is proposed to increase the remuneration of both the Managing Director Smt.K. Varalakshmi and that of the Wholetime Director Sri K.V. Reddy Pantulu. The Board of Directors has already approved the increase in remuneration in its meeting held on 01.04.1999. The enhancement of the Managerial remuneration requires the consent of the Shareholders. Hence the proposed resolution.

Place : Hyderabad,  
Date : 10.06.1999.

for NEEDS FINVEST LIMITED  
Sd/-  
(K. VARALAKSHMI)  
Managing Director.

NEEDS FINVEST LIMITED

DIRECTORS' REPORT

To

The Members  
M/s.NEEDS FINVEST LIMITED

Dear Members,

We have pleasure in presenting this report of our company's activities for the second year of operations for the year ending 31st March, 1999. During the year the Company has conducted the operations for the full year when compared to the 3 months period in the last year.

The company has started Instalment Loan Business and Bill Discounting facility and to some extent Hire Purchase Business during the year.

During the year the company has disbursed total funds to the full extent of the capital available and the total paid up equity capital has gone upto Rs.50.71 lakhs by the end of the year 1998-99.

FINANCIAL RESULTS :

	1998-99 RUPEES (1 Year)	1997-98 RUPEES (3 months)
Income from operations	10,00,464	2,34,743
Less : Expenditure	5,93,468	1,95,712
Profit for the year	4,06,996	39,031
Less : Provision for taxation	1,17,000	14,000
Profit after Tax	2,89,996	25,031
Profit brought forward from prev. year	20,031	--
Profit available for appropriation	3,10,027	25,031
Transfer to general reserve	2,00,000	5,000
Balance carried forward to Balance sheet	1,10,027	20,031

DIVERSIFICATION & FUTURE PLANS :

As was mentioned in our report in the last year the company has drawn plans to finance the consumer durables, on group finance basis for which there is a good demand. The company is unable to meet the good demand available for financing due to the limited funds available with the company. Hence it has been decided to accept the funds in the form of Deposits from the Shareholders and outsiders after meeting all the statutory requirements necessary in this regard and obtaining the permission from the R.B.I. With the experience gained during the year and diversification plans which are

on the anvil, the directors feel confident that during the next year the business would be further increased and profitability would be improved significantly.

DEPOSITS :

The company has not accepted any deposits during the year, to which the provisions of Section 58A of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975 apply.

DIRECTORS :

- 1) Sri B. Ashwini Kumar retires by rotation and is eligible for re-appointment.
- 2) Sri G.Rama Murthy retires by rotation and is eligible for re-appointment.

AUDITORS :

M/s.P.S.N. RAVISHANKER & ASSOCIATES, Chartered Accountants retire from the office of auditors and being eligible, offer themselves for re-appointment as auditors of the company till the conclusion of the next Annual General Meeting.

PARTICULARS OF EMPLOYEES :

There are no employees drawing a salary exceeding the limits mentioned in Section 217(2A) of the Companies Act, 1956.

ENERGY CONSERVATION, FOREIGN EXCHANGE, ETC. :

The provisions relating to energy conservation, etc., do not apply to our company, since ours is not a manufacturing concern. The company has not dealt with any foreign exchange transactions during the year.

APPRECIATION :

Your directors place on record the appreciation for Federal Bank Ltd. for the services rendered to the company.

Your Directors place on record the appreciation for the dedication and hard work of the staff and others who have assisted the company directly or indirectly during the year.

for and on behalf of the Board  
of Directors of  
NEEDS FINVEST LIMITED

Place : Hyderabad,  
Date : 10.06.1999.

Sd/-  
(K.VARALAKSHMI)  
Managing Director

## AUDITORS' REPORT

To

The Members of  
M/S. NEEDS FINVEST LIMITED  
Flat No.12, 3rd Floor,  
Krishna Complex,  
D.No.4-1-938, Tilak Road,  
Abids, Hyderabad.

We have audited the attached Balance Sheet of M/S.NEEDS FINVEST LIMITED as at 31st March, 1999 and the Profit & Loss Account for the Year ended on that date annexed thereto and report that:

1. As required by the manufacturing and other companies (Auditor's Report) Order, issued by company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our report in the statement referred to in paragraph (1) above,
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the company, so far as appears from our examination of the books,
  - c) The Balance Sheet and the Profit & Loss Account referred to in the report are in agreement with the books of account and
  - d) In our opinion and to the best of our information and according to the explanations given to us, the accounts read with the Notes thereon, give the information required and give a true and fair view,
    - i) In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 1999 and
    - ii) In so far as it relates to the profit and loss account, of the profit of the company for the period ended on that date.

for P.S.N. RAVISHANKER & ASSOCIATES  
Chartered Accountants

Place : Hyderabad,  
Date : 10.06.1999.

Sd/-  
(P. RAVISHANKER)  
Partner

NEEDS FINVEST LIMITED

BALANCE SHEET AS AT 31.03.1999

	Sche- dule No.	RUPEES	As at 31.03.1999 RUPEES	RUPEES	As at 31.03.1998 RUPEES
<b>I. SOURCES OF FUNDS :</b>					
Shareholders Funds :					
a) Share Capital	A		5,071,000		2,597,000
b) Share Application Money			--		562,000
c) Reserves & Surplus	B		315,027		25,031
		TOTAL :	5,386,027		3,184,031
<b>II. APPLICATION OF FUNDS :</b>					
1) Fixed Assets - Net Block	C		100,042		--
2) Current Assets, Loans & Advances	D	5,622,802		3,490,688	
Less : Current Liab. & Provisions	E	362,417		335,457	
3) Miscellaneous Expenditure : to the extent not written off or adjusted	F		5,260,385		3,155,231
			25,600		28,800
		TOTAL :	5,386,027		3,184,031

for P.S.N. RAVI SHANKER & ASSOCIATES  
Chartered Accountants

Sd/-  
(P. RAVI SHANKER)  
Partner.

Place : Hyderabad  
Date : 10.06.1999.

for and on behalf of the Board of  
Directors of NEEDS FINVEST LIMITED

Sd/-  
( K. VARALAKSHMI )  
Managing Director

Sd/-  
(K.V. REDDY PANTHULU)  
Wholetime Director

Sd/-  
(G. RAMA MURTHY)  
Director



## NEEDS FINVEST LIMITED

## PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED 31.03.1999 :

	Schedule No.	Year Ended 31.03.1999 RUPEES	Three months Period Ended 31.03.1998 RUPEES
<b>A. INCOME :</b>			
Income from Operations :			
1) Hire Purchase Income		56,178	12,557
2) Interest Income		--	97,330
3) Discounting charges		944,286	120,561
		<b>1,000,464</b>	<b>230,448</b>
<b>B. EXPENDITURE :</b>			
Administrative cost	G	283,875	75,805
Salaries		77,833	--
Brokerage & Commission		21,574	--
Interest Tax		18,886	2,412
Remuneration to Directors		180,000	110,000
Depreciation		8,100	--
Preliminary Expenses written off		3,200	3,200
		<b>593,468</b>	<b>191,417</b>
Profit for the year (A) - (B)		<b>406,996</b>	<b>39,031</b>
Provision for taxation		117,000	14,000
Profit after tax		<b>289,996</b>	<b>25,031</b>
ADD : Profit brought forward from previous year		20,031	--
Profit available for appropriations		<b>310,027</b>	<b>25,031</b>
<b>APPROPRIATIONS :</b>			
Transfer to General Reserve		200,000	5,000
Balance carried to Balance Sheet		110,027	20,031

for P.S.N. RAVI SHANKER & ASSOCIATES  
Chartered Accountants

Sd/-  
(P. RAVISHANKER)  
Partner.

Place : Hyderabad,  
Date : 10.06.1999.

for and on behalf of the Board of  
Directors of NEEDS FINVEST LIMITED

Sd/-  
( K. VARALAKSHMI )  
Managing Director

Sd/-  
(K.V. REDDY PANTULU)  
Wholetime Director

Sd/-  
(G. RAMA MURTHI)  
Director .

M/S. NEEDS FINVEST LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET :

SCHEDULE - A - SHARE CAPITAL :

Authorised Capital :

10,00,000 Equity Shares of Rs.10/- each

Issued, Subscribed and Paid-up capital :

5,07,100 equity shares of Rs.10/- each fully paid up

SCHEDULE - B - RESERVE & SURPLUS :

- a) General Reserve  
b) Profit & Loss account credit balance

	As on 31.03.1999 RUPEES	As on 31.03.1998 RUPEES
10,00,000 Equity Shares of Rs.10/- each	10,000,000	5,000,000
Issued, Subscribed and Paid-up capital :		
5,07,100 equity shares of Rs.10/- each fully paid up	5,071,000	2,597,000
SCHEDULE - B - RESERVE & SURPLUS :		
a) General Reserve	205,000	5,000
b) Profit & Loss account credit balance	110,027	20,031
	315,027	25,031

SCHEDULE - C : FIXED ASSETS SCHEDULE AS PER COMPANIES ACT, 1956 :

Name of the Asset	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 31.03.1998 Rs.	Additions During the year Rs.	As on 31.03.1999 Rs.	Upto 31.03.1998 Rs.	For the Year 1998-99 Rs.	Upto 31.03.1999 Rs.	AS ON 31.03.1999 Rs.	AS ON 31.03.1998 Rs.
	Furniture & Fixtures	--	11,792	11,792	--	252	252	11,540
Computer & Other Office Equipments	--	96,350	96,350	--	7,848	7,848	88,502	--
	--	108,142	108,142	--	8,100	8,100	100,042	--

for P.S.N. RAVI SHANKER & ASSOCIATES  
Chartered Accountants

Sd/-  
(P. RAVI SHANKER)  
Partner.

Place : Hyderabad  
Date : 10.06.1999.

for and on behalf of the Board of  
Directors of NEEDS FINVEST LIMITED

Sd/-  
(K. VARALAKSHMI)  
Managing Director

Sd/-  
(K.V. REDDY PANTHULU)  
Wholetime Director

Sd/-  
(G. RAMA MURTHY)  
Director

SCHEDULE - D - CURRENT ASSETS, LOANS & ADVANCES :

	As on 31.03.1999 RUPEES	As on 31.03.1998 RUPEES
<b>Current Assets :</b>		
i. Loan debtors - Sub-Schedule - D(a)	4,565,506	2,743,737
ii. Stock-on-hire(at agreement value Less instalments received) (Secured, considered good)	36,640	476,890
iii. Cash in hand	45,275	17,742
iv. Balance with scheduled bank in current account	302,106	239,085
v. Subscription to Chit	558,675	--
vi. Income tax paid in Advance	100,000	--
vii. Tax Deducted at Source	--	13,234
viii. Others	14,600	--
	<b>5,622,802</b>	<b>3,490,688</b>

SUB-SCHEDULE - D(a) - LOAN DEBTORS :

Particulars	31.03.1999			31.03.1998		
	Outstanding for less than 6 months RUPEES	Outstanding for more than 6 months RUPEES	Total RUPEES	Outstanding for less than 6 months RUPEES	Outstanding for more than 6 months RUPEES	Total RUPEES
Loans - Secured by mortgage of immovable properties-considered good	200,000	--	200,000	--	--	--
Loans - Unsecured - considered good	1,260,647	3,104,859	4,365,506	2,743,737	--	2,743,737
	<b>1,460,647</b>	<b>3,104,859</b>	<b>4,565,506</b>	<b>2,743,737</b>	<b>--</b>	<b>2,743,737</b>

SCHEDULE - E - CURRENT LIABILITIES & PROVISIONS :

	As on 31.03.1999 RUPEES	As on 31.03.1998 RUPEES
<b>A. Current Liabilities :</b>		
a) Unmatured hire purchase financial charges(UMHP)	4,680	147,193
b) Interest Tax	18,886	2,412
c) Discounting charges received in Advance	99,411	64,875
d) TDS	950	2,700
e) Creditors for expenses	121,154	104,277
	<b>245,081</b>	<b>321,457</b>
<b>PROVISIONS :</b>		
B. Provision for taxation	117,336	14,000
	<b>362,417</b>	<b>335,457</b>

SCHEDULE - F - MISCELLANEOUS EXPENDITURE :  
(to the extent not written off or adjusted)

	As on 31.03.1999 RUPEES	As on 31.03.1998 RUPEES
Preliminary Expenses	25,600	28,800
	<b>25,600</b>	<b>28,800</b>

NOTES FORMING PART OF ACCOUNTS

7. Expenditure in foreign currency : NIL
8. Paise have been rounded off to the nearest rupee.
9. The statement on significant accounting policies forms integral part of financial statement.
10. Contingent liabilities not provided for - NIL.
11. The previous years figures are regrouped/rearranged wherever necessary.
12. The other particulars of schedule VI are not applicable to the company.

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As per our report attached  
for P.S.N. RAVISHANKER & ASSOCIATES  
Chartered Accountants

for and on behalf of the  
Board of Directors of  
for NEEDS FINVEST LIMITED

Sd/-  
(P. RAVI SHANKER)  
Partner

Sd/-  
(K. VARALAKSHMI)  
Managing Director.

Place: Hyderabad  
Date : 10.06.1999

Sd/-  
(K.V. REDDY PANTULU)  
Director

Sd/-  
(G. RAMAMURTHI)  
Director

NEEDS FINVEST LIMITED  
FLAT No.12, 3rd FLOOR,  
KRISHNA COMPLEX,  
D.No.4-1-938,TILAK ROAD,  
ABIDS,HYDERABAD.

PROXY FORM

I/We .....  
of ..... in the district of  
NEEDS FINVEST LIMITED, hereby appoint .....  
proxy to vote for me/us on my/our behalf at the Annual General Meeting  
of the Company to be held on the 03.07.1999 at 11.00 a.m.

Signed this ..... day of ..... 1999

Signature ..... affix Re.1/-revenue stamp

Ledger Folio No. : .....

Note : The proxy duly completed must be deposited at the Registered  
Office of the Company not less that 48 hours before the time for  
holding the meeting. A proxy need not be member

NEEDS FINVEST LIMITED  
FLAT No.12, 3rd FLOOR,  
KRISHNA COMPLEX,  
D.No.4-1-938,TILAK ROAD,  
ABIDS,HYDERABAD.

ATTENDANCE SLIP

I hereby record my presence at the Annual General Meeting of NEEDS  
FINVEST LIMITED at .....  
.....Hyderabad on .....

1. Full Name of the Member (in Block Letters) : .....
2. Full Name of the Proxy\* : .....
3. Ledger Folio N. : .....
4. Number of Shares Held : .....
5. Signature of the Member/Proxy attending : .....

\* To be used only if the Member, first named is not attending:  
Please give full name of the first holder  
Mr/Mrs/Miss .....

Note :Members attending must fill in this attendance slip and hand it  
over at the entrance of the venue of the meeting.