

MONETA FINANCE PVT.LTD.

Regd. Office : 8, Electronics Complex, Chamba Ghat, Solan (H.P.) – 173 213

Tel. : (01792) 230641 – 44 Fax : (01792) 231902

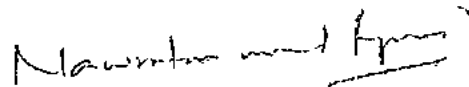
NOTICE

Notice is hereby given that the 13th Annual General Meeting of the members of the Company will be held on Monday, 11th August, 2008, at 11:00 A.M. at the Registered Office of the Company to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the audited Annual Accounts of the Company for the year ended 31st March, 2008 and the reports of the Directors and of the Auditors thereon.
2. To appoint Auditors for the financial year 2008-09 to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration. M/s. Priya Bhushan Sharma & Co., Chartered Accountants, the retiring Auditors of the Company are eligible for re-appointment.
3. To appoint Mr. N.M.Bengani, who was appointed additional Director of the Company during the year u/s 260 of the Companies Act, 1956 and holds office upto the date of this meeting, as Director of the Company.
4. To appoint Dr.R.M.kastia, who was appointed additional Director of the Company during the year u/s 260 of the Companies Act, 1956 and holds office upto the date of this meeting, as Director of the Company.

**By Order of the Board
For Moneta Finance Private Limited**



**(Nawratan Mal Bengani)
Director**

Place : New Delhi

Date : 14th July, 2008

Note :

A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company. Proxy Form duly completed and signed should be deposited at the Regd. Office of the Company not later than 48 hours before the commencement of the meeting.

Corporate Office : 8, Commercial Complex, Masjid Moth, Greater Kailash II, New Delhi 48

Tel. : 011 – 30882624, 30882624 ; Fax : 011 - 30689013

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Tel. : (01792) 230641 – 44 *Fax* : (01792) 231902

DIRECTORS' REPORT

To
The Members.

Your Directors have pleasure in presenting their 13th Annual Report on the working of the Company together with the Audited Accounts for the financial year ended 31st March, 2008.

1. OPERATIONS AND OUTLOOK

During the year under report, the Company has incurred net loss of Rs.2,69,399/- (previous year profit Rs.2,45,046/-) comprising interest income only.

2. DIVIDEND

Your Directors have not recommended any dividend for the financial year under review.

3. DIRECTORS

Mr. Navratan Mal Bengani and Dr.R.M.Kastia were appointed additional Directors of the Company during the year w.e.f, 20th March, 2008 and 10th June 2008 respectively, u/s 260 of the Companies Act, 1956 and hold office upto the date of ensuing Annual General Meeting as Director of the Company and have offered themselves for re-appointment as Directors of the Company.

Mr. Prakash Chand Gulgulia and Mr.Anandi Lal Jain resigned from the Board of Directors of the Company w.e.f, 20th March, 2008 and 10th June 2008 respectively. Board appreciates the guidance received from them as Directors of the Company.

4. AUDITORS

M/s. Priya Bhushan Sharma & Co., Chartered Accountants, Auditors of the Company retire at the conclusion of ensuing Annual General meeting and being eligible offer themselves for reappointment.

5. HOLDING COMPANY

Your Company continues to remain as wholly owned subsidiary of Himachal Futuristic Communications Ltd. during the year.

6. COMPLIANCE CERTIFICATE

The Compliance Certificate as required under proviso to sub section (1) of section 383A of the Companies Act, 1956 for the financial year 2007-08 has been obtained from Mr.Sanjeev Sharma a practicing Company Secretary, a copy of the same is attached with this report as Annexure-I.

7. PUBLIC DEPOSIT

During the year under review, your Company has not accepted any deposits under the provisions of Sec. 58 A of the Companies Act, 1956 and the Rules made thereunder.

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8. PERSONNEL

There is no employee drawing salary as stipulated u/s 217(2A) of the Companies Act, 1956 read with the Company's (Particulars of Employees) Rules, 1975 and amendments made thereunder.

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

The particulars regarding energy conservation, technology absorption, foreign exchange earning and outgo as required under the amended section 217 of the Companies Act 1956 are NIL.

10. AUDITORS' REPORT

There are no qualifications/adverse observations in the Auditors' Report requiring information and explanations u/s 217(3) of the Companies Act, 1956.

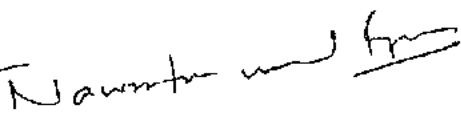
11. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed :

- (i) that in the preparation of the accounts for the financial year ended 31st March, 2008 the applicable accounting standards have been followed along with proper explanation relating to material departures ;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2008 and of the profit of the Company for the year under review;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) that the Directors have prepared the accounts for the financial year ended 31st March, 2008 on a 'going concern' basis.

For and on behalf of the Board of Directors


(Dr.R.M.Kastia)
Director


(Nawfatan Mal Bengani)
Director

Place : New Delhi
Date : 07.07.2008

PRIYA BHUSHAN SHARMA & COMPANY

CHARTERED ACCOUNTANTS

S.C.O 839-40, SECTOR 22-A, (IIND FLOOR), CHANDIGARH

PHONE : 2727699, 2725699

AUDITOR'S REPORT

TO THE MEMBERS OF
M/S MONETA FINANCE PRIVATE LIMITED

We have audited the attached Balance Sheet of M/s MONETA FINANCE PRIVATE LIMITED as at 31st March 2008, the Profit and Loss Account annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account, as required by the law, have been kept by the company, so far as appears from our examination of those books.
 - c) The Balance Sheet, the Profit & Loss Account dealt with by this report are in agreement with the books of account.

- d) In our opinion, the Balance Sheet, the Profit & Loss Account dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act 1956
- e) In our opinion, and based on information and explanation given to us, none of Directors are disqualified as on 31st March 2008 from being appointed as Directors in term of section 274(1)(g) of The Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) In so far as it relates to Balance Sheet, of the state of affairs of the company as at 31st March 2008;
- (ii) In so far as it relates to the Profit & Loss Account, the Profit of the company for the year ended on that date; and

STATEMENT OF NON BANKING FINANCIAL COMPANIES

1. The company is registered with RBI and the certificate number is B-06.00384 dated 20/12/2000.
2. i) The board of directors have passed resolution for non acceptance of public deposits
ii) The company has not accepted any public deposits during the year.
3. The company has complied with the norms of income recognition accounting standard etc, as applicable to it.

Place:- CHANDIGARH
Date: - 07-07-2008

For PRIVATE BHUSHAN SHARMA & CO.
Chartered Accountant
Accountant
89825
(BHUSHAN SHARMA)
Membership No. 89825
SCO 839-840, SECTOR 22A
CHANDIGARH

**Annexure Referred To In Paragraph 2 Of The Auditor's Report On The Accounts Of
MONETA FINANCE PRIVATE LIMITED For The Year Ending 31st March 2008**

As required by the Companies (Auditor's report) Order, 2003 issued by the central Government of India in terms of section 227(4-A) of the Companies Act, 1956, we report that:

- 1 In respect of fixed assets:
 - (A) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - (B) As explained to us, all the fixed assets have been physically verified by the management during the year at reasonable intervals, which in our opinion, is reasonable having regard to the size of the company and the nature of assets. No material discrepancies were noticed on such physical verification.
- 2 As the company does not hold inventories as defined in accounting standard 2 on valuation of inventory, item (ii) on paragraph 4 of the order is not applicable to the company.
- 3 In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956:
 - (A) The company has granted loans to 2 parties. At the year end the outstanding balance of such loans granted was Rs.2915857.00 And the maximum amount involved during the year was Rs.3210796
 - (B) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other the terms and conditions are not prima-facie prejudicial to the interest of the company.
 - (C) In respect of loans taken and granted by the company, the interest payment & receipt if any is regular and the principal amount is repayable on demand.
 - (D) Since the loans taken and granted by the company are repayable on demand, no question of overdue amounts arises.
- 4 In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the company and nature of its business with regard to purchase of inventory and fixed assets and with regard for the sale of goods and services. During the course of audit, no major weakness has been noticed in the internal control.

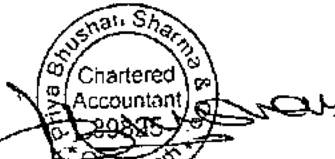
- 5 In respect of contracts or arrangements entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956.
 - (A) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under section 301 of the Companies Act 1956 have been so entered.
 - (B) In our opinion and explanation given to us, the transactions exceeding the value of 5 lakh in respect of any party during the year have been made at prices which are prima-facie reasonable having regard to prevailing market prices at the relevant time where such prices are available.
- 6 In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A and 58AA of the Companies Act, 1956 and Rules made there under are not applicable to the Company.
- 7 In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- 8 To the best of our knowledge the Central Government has not prescribed the maintenance of cost records U/s 209(1) (d) of the company act, 1956 for any of the products of the company.
- 9 In respect of statutory dues:
 - (A) According to the information and explanations given to us, the company was generally regular in depositing dues in respect of Employees Provident Fund, Employees State Insurance Fund, Income Tax, and other statutory dues (whichever applicable) with the appropriate authority during the year.
 - (B) According to the records examined by us and the information and explanations given to us, there are no disputed amounts due in respect of income tax, wealth tax, sales tax, excise duty, Employees provident fund, Employee state insurance fund and other statutory dues at the end of the year.
- 10 The Company does have accumulated Losses as at the end of the year and the Company has not incurred cash Losses during current year and the immediately preceding financial year.
- 11 Based on our audit procedures and on the basis of information and explanations given by the management, the Company has not defaulted in the repayment of dues to banks, financial institutions and Debentures holders during the year.
- 12 In our opinion and according to information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of

shares, debentures and other security.

- 13 In our opinion the company is not a Chit Fund, Nidhi or Mutual Benefit Fund/Society. Therefore, the provisions of clause 4(XIII) of the CARO,2003 are not applicable to the company.
- 14 The company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the order are not applicable.
- 15 In our opinion and according to information & explanation given to us, the company has not given guarantees for loans taken by other from banks and financial institutions
- 16 In our opinion and according to information and explanation given to us, the Company has not availed of any term loans during the year. There were no term loans outstanding as at the beginning and as at end of the year.
- 17 According to the information and explanations given to us and on examination of balance sheet, funds raised on short term basis have, prima facie, not been used during the year for long term investment and vice versa.
- 18 The company has not made any preferential allotment to parties and companies covered under register maintained under Section 301 of the Companies Act, 1956, during the year.
- 19 The Clause 13 of the order is not applicable, as the company has not issued any debentures during the year.
- 20 The Company has not raised money by any public issues during the year and hence the question of disclosure and verification of end use of such money does not arise.
- 21 In our opinion and according to the information and explanations given to us no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For PRIYA BHUSHAN SHARMA & CO.
Chartered Accountant

Place:- CHANDIGARH
Date: - 07-07-2008


(BHUSHAN SHARMA)
FCA
Membership No. 89825

MONETA FINANCE PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2008

	Schedules	As at 31.03.2008 Rs.	As at 31.03.2007 Rs.
SOURCES OF FUNDS			
1 Shareholders' funds			
Share capital	1	3,000,000	3,000,000
2 Reserves & Surplus			
Surplus : Profit and Loss Account		(12,743)	327,896
		<u>2,987,257</u>	<u>3,327,896</u>
APPLICATION OF FUNDS			
1 Investments	2	199,000	199,000.00
2 Current assets, loans and advances			
(i) Cash and bank balances	3	41,835	55,226
(ii) Loans and advances	4	<u>2,972,848</u>	<u>3,270,642</u>
		3,014,683	3,325,868
Less: Current liabilities and provisions			
Liabilities	5	155,185	114,490
Provision for taxation		<u>71,240</u>	<u>82,482</u>
		226,426	196,972
Net Current Assets		<u>2,788,257</u>	<u>3,128,896</u>
		<u>2,987,257</u>	<u>3,327,896</u>
Notes forming part of the Accounts.	6		

As per our report of even date attached

For Priya Bhushan Sharma & Co.
Chartered Accountants
Chartered Accountant
P. S. Sharma
Partner
M. No. 89825

For and on Behalf of the Board of Directors

Ronkashu
Dr. R. M. Kastia
Director

Nawatanmal Bengani
Nawatanmal Bengani
Director

Place, Chandigarh
Dated 07.07.2008

MONETA FINANCE PRIVATE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2008

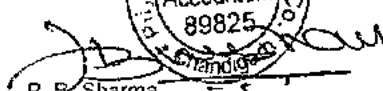
Schedules	For the year Ended March 31, 2008 Rs.	For the year Ended March 31, 2007 Rs.
I. INCOME		
Interest on loan (Net TDS value) (Previous Year TDS Rs.58,846/-)	55,991	262,240
	<u>55,991</u>	<u>262,240</u>
II. EXPENDITURE		
Consultation / Professional fee	6,735	6,960
Filing fees	6,500	5,000
Bank charges	4,030	688
Misc. Expenses	1,950	-
Rates & taxes	-	56
Provision for Doubtful Debts	294,939	-
Auditor's remuneration	11,236	4,490
	<u>325,390</u>	<u>17,194</u>
PROFIT BEFORE TAXES	(269,399)	245,046
Provision for Income Tax for the year	71,240	82,482
PROFIT FOR THE YEAR	<u>(340,639)</u>	<u>162,564</u>
Income Tax for Previous Year	-	59,578
	<u>(340,639)</u>	<u>102,986</u>
Add : Credit balance of Profit & Loss A/c brought forward from previous year	327,896	224,910
Balance carried to balance sheet	<u>(12,743)</u>	<u>327,896</u>

Notes forming part of the Accounts.

6

As per our report of even date attached

For Priya Bhushan Sharma & Co.
Chartered Accountants


P. B. Sharma
Partner
M. No. 89825

Place : Chandigarh
Dated : 07.07.2008

For and on behalf of the Board of Directors


Dr. R. M. Kastia
Director


Nawatan Mal Bengani
Director

MONETA FINANCE PRIVATE LIMITED

SCHEDULE 1 TO 6 - ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	<u>As at</u> <u>31.03.2008</u> <u>Rs.</u>	<u>As at</u> <u>31.03.2007</u> <u>Rs.</u>
<u>SCHEDULE 1 - SHARE CAPITAL</u>		
Authorised :		
300,000 Equity shares (Previous year 300,000) of Rs. 10/- each	<u>3,000,000</u>	<u>3,000,000</u>
Issued, Subscribed and Paid up :		
300,000 Equity shares (Previous year 300,000) of Rs.10/- each fully paid up	<u>3,000,000</u>	<u>3,000,000</u>
Note : The entire share capital of the Company is held by Himachal Futuristic Commuincations Ltd. and its nominees.		
<u>SCHEDULE 2 - Investments</u>		
(Long term Investments - At cost)		
<u>Unquoted</u>		
M/s India Card Technology Pvt.Ltd. 19,900 Equity shares of Rs.10/- each, fully paid up	<u>199,000</u>	<u>199,000</u>
<u>SCHEDULE 3 - CASH & BANK BALANCES</u>		
Cash on hand	3,374	3,874
<u>Balances with scheduled banks in current account :</u>		
Parwanoo Urban Co-operative Bank, Solan	5,036	5,136
Oriental Bank of Commerce, Nehru Place, New Delhi	<u>33,425</u>	<u>46,516</u>
	<u>41,935</u>	<u>55,526</u>
<u>SCHEDULE 4 - LOANS & ADVANCES</u>		
(Unsecured, considered good)		
<u>Loans to Non Body Corporate</u>		
M/s Classic Services	1,700,000	1,750,000
<u>Loans to Body Corporate</u>		
M/s HFCL Satellite Communications Limited	1,200,000	1,200,000
<u>Advances recoverable in cash or in kind or for value to be received</u>		
Interest Receivable	515,805	310,796
Less : Provision for Doubtful Debts	<u>499,948</u>	15,857
TDS deducted at source	55,991	58,846
M/s India Card Technologies Pvt.Ltd.	1,000	1,000
	<u>2,972,848</u>	<u>3,320,642</u>
<u>SCHEDULE 5 - CURRENT LIABILITIES</u>		
Expenses payable		
Audit Fees Payable	11,236	4,490
Salary Payable	36,000	36,000
Directors Fees Payable	-	24,000
Himachal Futuristic Commuincations Ltd.	<u>107,950</u>	<u>50,000</u>
	<u>155,186</u>	<u>114,490</u>

MONETA FINANCE PRIVATE LIMITED

SCHEDULE 6

Notes to accounts forming part of the Balance Sheet as at 31st March 2008 and the Profit & Loss Account for the year ended on that date.

A. Significant Accounting Policies

1. The accounts of the Company are prepared in accordance with the historical cost convention and comply in all material aspects with the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956, except where otherwise stated. Mercantile system of accounting is followed for recognition of income and expenses unless otherwise stated.

2. Provisions, Contingent Liabilities and Contingent Assets

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

3. Investments

a) The cost of investment includes incidental expenses like brokerage, fees and duties incurred prior to acquisition.

b) The long term investments are shown at cost. Provision for diminution in value is made only if in the opinion of the management such a decline in value is other than temporary.

4. Retirement Benefits

Liability for gratuity is provided for when an employee completes the eligible period of service.

B. Other Notes

1. Contingent Liabilities : Rs. Nil

2. There are no dues payable to micro, medium and medium enterprises as on the date of Balance Sheet.

3. Income Tax

Income tax expenses comprise current tax and deferred tax charge or release. The deferred tax charge or credit is recognized using current tax rates. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each Balance Sheet date to reassess realisation.

4. Expenditure in Foreign Currency: Nil

5. Earning in Foreign Exchange: Nil
6. The Company is engaged in the business of hire purchase, finance business and lending of money. Hence, other information pursuant to the provisions of the paragraph 3 (ii) and 4C of Part II of Schedule VI of the Companies Act, 1956 are not applicable to the Company.
7. Additional information as required under Part IV of Schedule VI to The Companies Act, 1956 –

Balance Sheet Abstract and Company's General Business Profile:

I. Registration Details:

Registration No.	U65921HP1995PTC017088
State Code	06
Balance Sheet Date	31.3.2008

II. Capital Raised during the Year: (Amount in '000' Rs.)

Public Issue	-
Right Issue	-
Bonus Issue	-
Private placement	-

III. Position of Mobilisation and Deployment of Funds (Amount in '000' Rs.)

Total Liabilities	2987.00
Total Assets	2987.00

Sources of Funds: (Amount in '000' Rs.)

Paid-up Capital	3000.00
Share Application money	-
Reserves & Surplus	(-) 13.00
Secured Loans	-
Unsecured Loans	-

<u>Application of Funds:</u>	<u>(Amount in '000' Rs.)</u>
Net Fixed Assets	-
Investments	199.00
Net Current Assets	2788.00
Miscellaneous Expenditure	-

<u>Performance of Company</u>	<u>(Amount in '000' Rs.)</u>
Income	56.00
Expenditure	325.00
Profit Before Tax	(-) 269.00
Profit After Tax	(-) 341.00
Earning Per Share (Rs.)	(-) 1.14
Dividend Rate	-

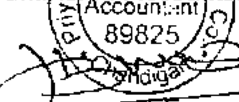
V. **Generic Names of Three Principal Products / Services of Company**
(As per monetary terms) -

Product description Item Code (ITC Code)	Financial Activities Not Applicable
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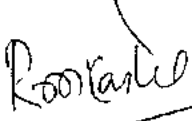
8. Previous year figures have been regrouped/rearranged wherever considered necessary.

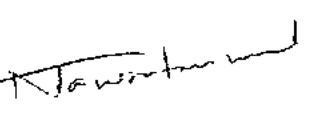
Signatures to Schedule 1 to 6
As per our reports of even date attached

For Priya Bhushan Sharma & Co.
Chartered Accountants


Priya Bhushan Sharma
Partner
M.No. 89825

For and on behalf of the Board


(Dr. R.M. Kastia)
Director


(Navratan Mal Bengani)
Director

Place : Chandigarh
Dated : 07 / 07 / 2008