

**47th
ANNUAL REPORT
2013 - 2014**



Haryana Financial Corporation



BANKERS

PUNJAB NATIONAL BANK,
Bank Square, Sector 17,
Chandigarh-160017

ORIENTAL BANK OF COMMERCE,
Bank Square, Sector 17,
Chandigarh-160017

CORPORATION BANK,
SCO 137-138, Sector 8-C,
Chandigarh-160018

HDFC Bank,
SCO 371-372, Sector 35-B,
Chandigarh

STATUTORY AUDITORS

M/s R.P. MALLICK & ASSOCIATES,
Chartered Accountants,
H.No. 1442, Sector 44-B
Chandigarh

REGISTRAR & TRANSFER AGENTS

M/s BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.,
'Beetal House', 3rd Floor, 99 Madangir, Behind Local Shopping
Centre, Near Dada Harsukhdas Mandir, New Delhi - 110062,
Phone : 011-29961281-82, Fax : 011-29961284
E-mail : beetalrta@gmail.com

OFFICE

HARYANA FINANCIAL CORPORATION
Bays Nos. 17, 18 & 19, Sector 17-A
Chandigarh - 160 017
Ph. : 2702755-57, 2702568
Fax : 2721624, 2702666
E-mail : md@hfcindia.org , contact@hfcindia.org
Website : www.hfcindia.org

HARYANA FINANCIAL CORPORATION
Bays Nos. 17,18 & 19, Sector 17-A, Chandigarh
Notice



In terms of Regulation 46 of General Regulations of the Corporation read with Section 36 of the State Financial Corporations Act, 1951, it is hereby notified that the 47th Annual General Meeting of Shareholders of the Corporation will be held on Monday, the 10th November, 2014 at 11.30 AM (I.S.T.) at Head Office of the Corporation i.e Bays Nos. 17, 18 & 19, Sector 17-A, Opposite L.I.C. Building, Chandigarh, to transact the following business:-

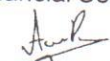
- 1 To receive, consider and adopt the audited Balance Sheet as on 31st March, 2014 and the Profit and Loss Accounts of the Corporation for the year ended on that date together with Report of the Board of Directors on the working of the Corporation throughout the year and the Auditor's Report on the said Balance Sheet and Accounts.
- 2 To re-appoint M/s R.P. Mallick & Associates, Chartered Accountants of Chandigarh as the Statutory Auditors of the Corporation from the conclusion of the present Annual General Meeting till the conclusion of the next Annual General Meeting for conducting audit for the financial year 2014-2015 at an audit fee of Rs.31,250/- plus applicable service tax and admissible TA/DA.
- 3 To appoint two Directors nominated in the prescribed manner by the shareholders referred to in clause 4(3)(c) of SFCs Act 1951 (i.e. from Schedule Banks, Insurance Companies etc.) for a period of three years.
- 4 To elect two Directors in the prescribed manner by the shareholders referred to in clause (d) of sub section 3 of section 4 of SFCs Act 1951 (i.e. from Public Shareholders) for a period of three years.

NOTES:

- i) The Register of Members and Share Transfer Books of the Corporation will remain closed from Monday, the 3rd November, 2014 to Monday, 10th November, 2014 (both days inclusive).
- ii) Nomination papers for nomination/election as Directors by the shareholders (category 'c' & 'd') in order to be effective must reach, complete in all respects (as per applicable format published in the Annual Report), at Head Office of the Corporation on a working day not less than 14 clear days before the date fixed for the meeting (i.e. by 26th October, 2014).
- iii) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Corporation. Proxies in order to be effective must be deposited (as per format published in the Annual Report) with the Head Office of the Corporation not less than 48 hours before the time fixed for the meeting.
- iv) The Institutional Shareholders i.e. SIDBI / Banks / Co-Op Banks / Insurance Companies and Bodies Corporate/ Companies etc. in order to attend & vote at the meeting submit authorization (as per format published in the Annual Report) along with certified copies of resolutions appointing duly authorized representative. Authorizations in order to be effective must be deposited with the Head Office of the Corporation not less than 48 hours before the time fixed for the meeting.
- v) The Shareholders of the Corporation in its 46th Annual General Meeting held on 18.12.2013 appointed M/s R.P. Mallick & Associates, Chartered Accountants, Chandigarh as Statutory Auditors of the Corporation for the financial year 2013-14 u/s 37(1) of SFCs Act, 1951 and they have conducted the audit for the year. As per RBI guidelines, an Auditor can be re-appointed upto four terms. The RBI vide their letter dated 15.05.2014 has confirmed their eligibility. The audit firm has also confirmed their eligibility and given their consent under the provisions of the Companies Act, 1956 (as revised under the Companies Act, 2013) and accordingly the case is placed before the shareholders for their re-appointment.

Dated: 7th October, 2014
Place: Chandigarh

By Order of the Board
for Haryana Financial Corporation


General Manager



HARYANA FINANCIAL CORPORATION, CHANDIGARH

Directors on the Board of the Corporation as on 31.03.2014

1.	Sh. S.S. Dhillon, IAS Principal Secretary to Chief Minister, Haryana, Chandigarh.	Chairman	Nominated by the State Govt. in terms of Section 10(b) of SFCs Act and appointed as Chairman by SIDBI in terms of Sub-section (1) of Section 15 of SFCs Act, 1951.
2.	Sh. Y.S. Malik, IAS Additional Chief Secretary to Government of Haryana Industries & Commerce Department, Haryana Civil Secretariat Chandigarh.	Director	Nominated by the State Govt. in terms of Section 10(b) of SFCs Act, 1951.
3.	Sh. Rajan Kumar Gupta, IAS Additional Chief Secretary to Government of Haryana Finance & Planning Department, Haryana Civil Secretariat Chandigarh.	Director	Co-opted by the Board of Directors, Haryana Financial Corporation in terms of Section 10(e)(iv) of SFCs Act, 1951.
4.	Sh. Ashok Sangwan, IAS Director, Industries & Commerce Department, Haryana, 30 Bays Building, Sector 17-C, Chandigarh.	Director	Co-opted by the Board of Directors, Haryana Financial Corporation in terms of Section 10(e)(iv) of SFCs Act, 1951
5.	Sh. Manish Sinha, DGM Small Industries Development Bank of India, SCO 145-146, Sector 17-C, Chandigarh	Director	Nominated by SIDBI in terms of Section 10(c) of SFCs Act, 1951.
6.	Sh. L.C. Meena Sr. Divisional Manager, Life Insurance Corporation of India, Sec 17-A, Chandigarh.	Director	Nominated by LIC in terms of section 10(d) to represent shareholders in clause (c) of Sub-Section (3) of Section 4 of SFCs Act, 1951.(Banks, Insurance Cos. etc.)
7.	Sh. Tarun Bajaj, IAS Managing Director, Haryana Financial Corporation, Chandigarh.	Director	Appointed by the State Govt. in terms of Sub-Section (1) of Section 17 of SFCs Act, 1951.



HARYANA FINANCIAL CORPORATION CHANDIGARH

Directors' Report

Your Directors have pleasure in presenting the 47th Annual Report together with the Audited Accounts of the Corporation for the financial year 31st March, 2014.

Financial Results

The summary of financial results for the financial year 2013-14 and their appropriation is given below :

(₹ in crore)

		2013 - 14	2012 - 13
A.	Income from operations/other income	13.46	15.16
B.	Interest & Other Financial Expenses	0.01	0.87
C.	Personnel Expenses	9.73	17.25
D.	Administrative Expenses	0.81	0.74
E.	Depreciation	0.50	0.55
F.	Bad Debts Written off	1.74	0.36
G.	Total Expenditure (B to F)	12.79	19.77
H.	Profit/(Loss) before tax & provision for NPAs (A - G)	0.67	(4.61)
I.	Prior period income adjustment	0.20	0.00
J.	Add : Provision against NPAs written back	2.50	4.30
K.	Net Profit/(Loss) (H - I + J)	2.97	(0.31)

Operational Highlights

The Corporation has already stopped sanction of the loans w.e.f. May, 2010 as already stated in the previous Annual Reports. The details of the operations of the Corporation recovery of its dues during the year are given as under :

Performance for the Year 2013-14

	(₹ in crore)
Sanction	0.00
Disbursement	0.00
Recovery	29.29



Recovery of Dues

The Corporation is making all efforts to recover its loans. During the year, the Corporation extended the period of its 'One Time Settlement Scheme' in view of the requirements of the Corporation/borrowers under NPAs with a view to maximise the recovery and minimize the loan cases. Efforts were made to pursue borrowers who are eligible under the above settlement policies to settle their cases. Due to the above measures, the Corporation made the recovery of ₹ 29.29 crore.

Resources Management

The Corporation has managed its limited resources efficiently. The Corporation was able to meet its commitments. The details of the sources are discussed in the subsequent paras.

Share Capital from State Government

During the year, the State Govt. made a provision of ₹ 15.00 lakh in their Annual Plan towards increase in the share capital of the Corporation. The said amount was released to the Corporation against which 1,50,000 shares of ₹ 10/- each were allotted to the State Govt. during year 2013-14.

Refinance

During the year 2010-11, the Corporation was able to settle its entire outstanding refinance of ₹ 181.68 crore due to the SIDBI at ₹ 130.00 crore payable within a period of three years without any further interest. This fact was disclosed in the previous Annual Report. Against the above settlement, the Corporation had paid ₹ 86.67 crore upto 31.03.2013 being the 2/3rd of total OTS amount of ₹ 130.00 crore. During the year the Corporation has paid ₹ 33.00 crore to the SIDBI. So, the Corporation has paid ₹ 119.67 crore to the SIDBI upto 31.03.2014 against the settlement amount of ₹ 130.00 crore. On the Corporation's request, the SIDBI has allowed the Corporation to pay the balance amount by 30th September, 2014. The above arrangement was made as per availability of the funds/best utilization of the limited sources available with the Corporation.

Bonds

As stated in the previous Annual Report that the Corporation has repaid all the SLR Bonds and there was no outstanding bonds amount as on 31.03.2013. During the year 2013-14, no SLR Bond quota was allocated to the Corporation and accordingly no bonds were issued/allotted.

Corporate Governance/ Management Discussion & Analysis Report

The Corporate Governance and Management discussion and Analysis report as per clause 49 of the Listing Agreement is annexed as Annexure with the Director's Report. A certificate from M/s Sharma Sarin & Associates, Company Secretaries on the above for the year ending on 31st March, 2014 is also annexed with this report.

Listing

The equity shares of the Corporation are listed at Bombay Stock Exchange Ltd. (BSE Script No. 530927). The Corporation has paid the Annual Listing fee to the Stock Exchange (BSE).



Audit

The shareholders in its 46th Annual General Meeting held on 18.12.2013 as per provisions of section 37 of State Financial Corporations' Act, 1951 appointed M/s R.P. Mallick & Associates, Chartered Accountants, Chandigarh (on the panel of the RBI) as Statutory Auditors for the financial year 2013-2014 (for 1st term) who have conducted the audit of the Corporation.

M/s R.P. Mallick & Associates, Chartered Accountants, Chandigarh are eligible for re-appointment for the FY 2014-15 i.e. for 2nd term. The RBI vide letter dated 15.05.2014 have confirmed their eligibility. The Corporation has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits and they are not disqualified for such appointment within the meaning of provisions of Companies Act..

The item for re-appointment has been included in the notice for the AGM.

Audit By Comptroller & Auditor General of India

The Comptroller & Auditor General of India (CAG) had conducted the audit of the accounts of the Corporation for Financial year 2012-13 and their report has been placed before State Legislature. The audit of the affairs of the Corporation for the year 2013-14 will be undertaken by the Comptroller & Auditor General of India under section 37(6) of the SFCs'Act, 1951 in due course.

Cash flow Statement

In conformity with the provisions of clause 32 of the listing Agreement, the Cash Flow Statement for the year ending on 31.03.2014 is annexed with the Annual Accounts.

Board of Directors

The list of the Board of Directors as on 31.03.2014 has separately been given in the Annual Report.

During the year under review, 4 meetings of Board of Directors were held.

Acknowledgement

Your Directors take this opportunity to place on record its gratitude to Government of Haryana, Department of Finance, Department of Industries, Small Industrial Development Bank of India (SIDBI) for their continuous co-operation and support in all the operational/financial matters.

The Board wishes to take opportunity to thank the Banks and Shareholders for extending their support & co-operation.

The Board places on record its appreciation for the services rendered by the staff of the Corporation at all levels during the year.

For and on behalf of Board of Directors

Managing Director

Place : Chandigarh

**CORPORATE GOVERNANCE / MANAGEMENT DISCUSSION & ANALYSIS REPORT****Corporate Governance Report****1. Brief Statement**

The Haryana Financial Corporation has been established under the State Financial Corporations Act, 1951. The Companies Act, is not applicable to the Corporation. Accordingly, the recommendations of the Securities and Exchange Board of India (SEBI) on Corporate Governance as per clause 49 of the Listing Agreement is applicable to the limited extent, being a listed company. The Corporation is aware that Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and other standards to discharge of social responsibilities/providing of information and other details to the shareholders. Keeping in view of the same, the Corporation has given due importance to Corporate Governance and attended its customers, shareholders and others. Due efforts are being made to make the necessary compliances as per requirements of the Stock Exchange (BSE) and Listing Agreement etc. to the extent feasible in view of the adhering of the provisions of the State Financial Corporation Act, 1951 and rules made thereunder.

2. Board of Directors**2(a) Composition of Board**

The Board of Directors of the Corporation has been constituted as per section 10 of State Financial Corporations Act, 1951. The detail of the Directors as on 31.03.2014 have been given in the Annual Report separately. The Board of Directors consists of seven Directors viz Chairperson, Managing Director, Director nominated by Government of Haryana, one representative of Small Industries Development Bank of India (SIDBI), one Director of Banks /Insurance Companies, two Directors co-opted by Board of Directors. Except Managing Director, all other Directors are non-executive. The Chairman is also a Non-Executive Director.

2(b) Board Meeting

During the year 2013-14 four meetings of the Board of Directors were held. The dates on which the Board Meetings were held are as follows :

330th Board Meeting dated 25.06.2013

331st Board Meeting dated 27.09.2013

332nd Board Meeting dated 19.12.2013

333rd Board Meeting dated 14.03.2014

2(c) Fidelity & Secrecy

As per requirements the certificate of fidelity and secrecy and other details were obtained from the incoming directors, placed before the Board and taken on record.

3 Audit Committee

The Audit Committee of the Corporation was re-constituted by the Board in its 333rd meeting held on 04.03.2014. The committee comprised of Sh. Rajan Gupta, IAS, Additional Chief Secretary to Government of Haryana (Finance), Chairman of the Audit Committee, Director nominated by SIDBI and Sh. L.C. Meena, Director both as Members (as on 31.03.2014). All the above Directors are non-executive. The scope of Audit Committee is as set up in clause 49 of the Listing Agreement with the Stock Exchange.

3(A) Committee of Directors

The Committee of Directors of the Corporation was constituted / re-constituted on 14.03.2014 by the Board. The committee comprised Sh. Tarun Bajaj, IAS, Managing Director, Chairman of the Committee, Director nominated by SIDBI and Sh. L.C. Meena, Director both as Members (as on 31.03.2014). The Committee of Directors has been constituted u/c 41 of the Listing Agreement to approve / take on record the quarterly financial results of the Corporation.



4. Remuneration Committee

The Corporation has not constituted Remuneration Committee as the Non-Executive Directors are not entitled for any remuneration. The Managing Director of the Corporation is an IAS officer and is appointed by the State Government. Haryana and the remuneration payable is in accordance with the conditions prescribed by the State Government, Haryana. The other Directors are entitled to sitting fee (₹ 500 for attending Board & other meetings) besides TA/DA.

As regards remuneration/pay scales and other allowances to the employees, the same are being sanctioned by the Board generally on the basis of the State Govt., Haryana and as per provisions of the State Financial Corporations' Act, 1951.

5. Shareholders/Investors Grievances Committee

The Corporation in its 330th meeting held on 25.06.2013 has reconstituted Shareholders/Investors grievances Committee. As on 31.03.2014, the committee consists of Sh. Manish Sinha and Sh. L.C. Meena, Directors of the Corporation. The above Directors are non-executive and independent Directors. During the year, one meeting of the Shareholders Investors Grievance Committee was held.

6. General Body Meetings

The location and time for the last three Annual General Meetings was :

Year	AGM	Location	Date	Time
2010-2011	44th AGM	At HO of the Corporation Bays Nos. 17,18 & 19, Sector 17 A, Chandigarh	19.01.2012	11.30AM
2011-2012	45th AGM	---DO---	06.02.2013	11.30 A.M.
2012-2013	46th AGM	---DO---	18.12.2013	11.00 A.M.

No postal ballots were used/invited for voting in the above meetings.

7. Disclosures

a) Disclosures on materially significant related party transactions

The Corporation has not entered into any materially significant transactions during the year under review which would have potential conflict of interest between the Corporation and its Promoters, Directors, Management and/or their relatives.

b) Penalties by stock exchanges/SEBI for non compliance by the Corporation.

Nil

8. Means of Communication

The quarterly, half yearly and annual financial results of the Corporation are published in two newspapers - "The Indian Express (English Edition) and Dainik Bhaskar (Hindi Edition), Chandigarh.

The quarterly financial results are also updated on the Website of the Corporation (www.hfcindia.org).

The Annual Report containing interalia, Audited Annual Accounts, Consolidated Financial Statements, Director's Report, Auditor's Report and other important information is circulated to the members / shareholders. The Annual Reports are being despatched through post.



9. General Shareholders information

9.1 Annual General Meeting

- Date and Time 10th November, 2014 at 11.30 A.M.
- Venue Head Office of the Corporation

9.2 Financial Calendar (Tentative)

(from 1st April to 31st March)

The tentative dates for publishing of quarterly results will be as under :

Results for quarter ending June, 2014 published on 13/15th August, 2014

Results for quarter ending Sept, 2014 will be published by 15th November, 2014

Results for quarter ending Dec, 2014 will be published by 15th February, 2015

Results for quarter ending March, 2015 will be published by 15th May, 2015

- 9.3 Book Closure date 3rd November to 10th November, 2014
- 9.4 Dividend payment date (Not applicable)
No dividend has been recommended by the Board
- 9.5 Listing of Shares Bombay Stock Exchange Ltd. (BSE)
- 9.6 Stock code/Script Code 530927
- 9.7 Stock Market Data
The shares are thinly traded.
The available quotes at BSE ₹ 24.65 on 13.07.2011
- 9.8 Share price performance Refer 9.7
- 9.9 Registrar & Transfer Agents

M/s Beetal Financial & Computer Services (P) Ltd., New Delhi has been appointed as the Registrar and Share Transfer Agent of the Corporation for handling the share transfer work in physical form. All correspondences relating to share transfer, transmission can be made with them at the following address :

M/s Beetal Financial & Computer Services (P) Ltd.,
'Beetal House', 3rd Floor, 99 Madangir, Behind Local
Shopping Centre, Near Dada Harsukhdas Mandir,
New Delhi - 110062,
Phone : 011-29961281, 29961282,
Fax : 011-29961284

9.10 Share Transfer System

The Corporation has reconstituted Share Transfer Committee of the Corporation on 22.03.2013. The Share Transfer Committee consisted of the following members :

- | | | |
|---|--|----------|
| 1 | Managing Director | Chairman |
| 2 | Sh. Ashok Pahwa
General manager | Member |
| 3 | Sh. Ashok Gupta
Dy. Gen. Manager | Member |
| 4 | Sh. Rakesh Khurana
Dy. Gen. Manager | Member |

The shares received by the Corporation for transfer are sent to RTA. The RTA after completion of formalities



forward the share transfer register containing all the details of transferor/transferee to the Corporation for approval. A meeting of the Share Transfer/Transmission Committee is then held to approve the transfer(s) and forward its minutes to the RTA for necessary action. Thereafter, the Registrar make the endorsement on the share certificates and forward the share certificates duly transferred to transferee. The same procedure is adopted for the shares directly received by the RTA.

9.11 Shareholding pattern as on 31st March, 2014

Category of shareholders as per section 4(3) of SFCs Act, 1951	No. of Shareholders	No. of shares held of ₹ 10/- each	%age of holding
a State Govt. (Haryana)	1	20,20,11,650	97.28%
b SIDBI	1	43,26,550	02.08%
c Banks, Financial Institutions, Insurance Co., Central/State Govt. Institutions/Non Govt. Institutions	9	2,01,700	00.10%
d Others (Shareholders other than those referred to in clause (a), (b), (c) above)	1919	11,18,200	00.54%
TOTAL	1930	20,76,58,100	100%

9.12 Dematerialisation of Shares

The shares of the Corporation are in physical form. The Corporation applied to National Stock Depository Ltd. (NSDL) for dematerialisation of its shares but the same has not been dematerialized due to Corporation's accumulated losses/erosion of net worth.

9.13 Outstanding GDR/Warrants and Convertible Bonds, Conversion date and likely impact on the equity.
- Nil -

9.14 Plant Locations

The Corporation has its Head Office at Chandigarh and 4 Branch Offices in various districts of Haryana. There is no plant/manufacturing unit of the Corporation.

9.15 Address for Correspondence

The Shareholders may correspond with the Share Transfer Agent (the address of which has been given above, at S.No. 9.9) for their queries with regard to change of address, transfer of shares or at the following address:

The Compliance Officer
Haryana Financial Corporation
Secretarial Cell
Bays Nos. 17, 18 & 19
Sector 17 A, Chandigarh-160017
Ph. : 0172-2714530, 2702755-57
Fax : 0172-2702666
E-mail : investors@hfcindia.org



MANAGEMENT DISCUSSION & ANALYSIS REPORT

i) **Term Lending Institution**

The Haryana Financial Corporation was established under the State Financial Corporations Act, 1951 as a State level development financial institution to provide financial assistance to the industrial units in small scale sectors setup in State of Haryana in the year 1967.

ii) **Threats**

With the reforms of the financial sector, the traditional area have been entered into by new entrants i.e. Banks and Non-banking Financial Companies (NBFCs) who have access to cheaper source of funds. Accordingly, the Corporation is facing stiff competition from them. The Corporation could not withstand the competition from these institutions due to which the Corporation's performance was adversely affected in terms of volume, business and profitability.

iii) **Corporation Performance**

Due to the above, the Corporation has stopped fresh operations i.e. sanction of the loans. The emphasis is being made for recovery of its dues. During the year, a sum of ₹ 29.29 crore has been recovered.

iv) **Opportunities/Resources**

During the year 2010-11, the Corporation took up the matter with the SIDBI for the restructuring of its debts to reduce the interest cost of the funds. The Corporation was able to settle the entire outstanding refinance of ₹ 181.19 crore due to the SIDBI at ₹ 130.00 crore payable within a period of 3 years without any further interest. Thus, the Corporation has reduced its liability and recurring expenses towards interest. The Corporation has repaid ₹ 119.67 crore (₹ 86.67 crore upto 31.03.2013 and ₹ 33.00 crore during 2013-14) due to the SIDBI. The SIDBI has allowed to make balance payment of ₹ 10.33 crore by 30.09.2014. The Corporation has not paid any interest to SIDBI during the year as per terms of the settlement.

v) **Internal Control System**

The Corporation has the Internal Audit Wing and Internal Control System to check financial and other records.

vi) **Human Resources**

With the retirement of the staff, the staff strength has been reduced from 162 as on 31.03.2012 to 129 as on 31.3.2014. The Corporation is making its efforts to reduce the administrative burden and at the same time motivate the existing staff and get support from them to discharge their responsibilities.

The Management and discussion report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and actual results may differ.



R.P. MALICK & ASSOCIATES
CHARTERED ACCOUNTANTS

#1442, FIRST FLOOR, SECTOR 44-B
CHANDIGARH, INDIA - 160 047
PH. : 0172-2668141, CELL :94171 21321
E-mail : rpmallick@yahoo.co.uk

AUDITOR'S REPORT

The Members
Haryana Financial Corporation
Chandigarh

In accordance with the provision of section 37(1) of State Financial Corporations Act 1951, we have audited the attached Balance Sheet of Haryana Financial Corporation as at 31st March, 2014 and also the annexed Profit & Loss Account for the year ended on the date together with schedules forming integral part of the accounts. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.


We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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.

- A) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- B) In our opinion, proper books of accounts have been kept by the Corporation so far as it appears from our examination of those records.
- C) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with books of account.
- D) In our opinion and to the best of our information and according to the explanations given to us the said accounts give a true and fair view :
- In case of Balance Sheet the State of Affairs of the Corporation as at 31st March, 2014 and
 - In case of Profit & Loss Account of the Profit for the year ended on that date.

Place : Chandigarh

Dated : 11th August, 2014

For R.P. Mallick & Associates
Chartered Accountants



R.P. Mallick
R.P. Mallick
FCA (Prop.)
Membership No.083882
Firm Regd. No.04867N



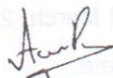
HARYANA FINANCIAL CORPORATION, CHANDIGARH
BALANCE SHEET AS ON 31ST MARCH, 2014

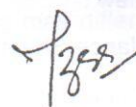
As at 31.03.2013 Amount (₹)	Capital & Liabilities	Schedule	As at 31.03.2014 Amount (₹)
2,075,081,000	Share Capital	A	2,076,581,000
165,683,860	Reserves and Surplus	B	165,818,950
950,112,153	Borrowings	C	620,112,153
491,467,016	Other Liabilities	D	650,512,061
690,488,443	Provisions	E	665,860,093
<u>4,372,832,472</u>	Total		<u>4,178,884,257</u>
	Property & Assets		
34,306,881	Cash and Bank Balances	F	79,152,899
1,497,644,180	Investments	G	1,497,644,180
971,131,767	Loans and Advances	H	777,799,790
119,002,071	Fixes Assets	I	113,974,735
115,054,899	Other Assets	J	104,273,025
1,635,692,674	Profit and Loss Accounts (Accumulated Losses)	K	1,606,039,628
<u>4,372,832,472</u>	Total		<u>4,178,884,257</u>

Notes on Accounts

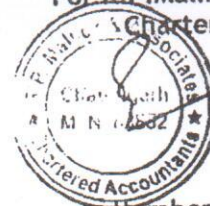
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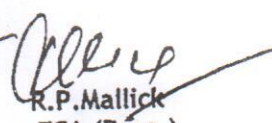
Note : The schedules referred to above form integral part of the Balance Sheet


Ashok Pahwa
General Manager


Tarun Bajaj, IAS
Managing Director

For R.P.Mallick & Associates
Chartered Accountants




R.P. Mallick
FCA (Prop.)
Membership No.083882
Firm Regd. No.04867N

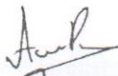
Place : Chandigarh
Dated : 11th August 2014

HARYANA FINANCIAL CORPORATION, CHANDIGARH
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014




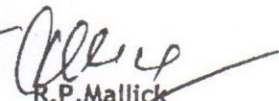
For the year ended 31.03.2013 Amount (₹)	Income	Schedule	For the year ended 31.03.2014 Amount (₹)
73,504,610	Income From Operations	L	72,566,686
78,090,277	Other Income	M	62,033,410
<u>151,594,887</u>	Total Income		<u>134,600,096</u>
	Expenditure		
8,700,486	Interest Expenses	N	141,355
30,867	Other Financial Expenses	O	23,159
172,462,513	Personnel Expenses	P	97,265,658
12,885,342	Administrative Expenses	Q	13,094,645
3,607,174	Bad Debts Written Off		17,386,522
<u>197,686,382</u>	Total Expenditure		<u>127,911,339</u>
<u>(46,091,495)</u>	Operating Profit / (Loss)		<u>6,688,757</u>
0	Less : Prior Period Income Adjustment		2,017,061
42,972,691	Add : Provision Against NPAs Written Back		24,981,350
<u>(3,118,804)</u>	Net Profit / (Loss)		<u>29,653,046</u>
	Notes on Accounts	R	
Nil	Earning Per Share		0.14

Note : The schedules referred to above form integral part of the Profit & Loss Account


 Ashok Pahwa
 General Manager


 Tarun Bajaj, IAS
 Managing Director

For R.P.Mallick & Associates
Chartered Accountants



 R.P.Mallick
 FCA (Prop.)
 Membership No.083882
 Firm Regd. No.04867N

Place : Chandigarh
 Dated : 11th August 2014



Schedule 'A' - Share Capital

As at 31.03.2013 Amount (₹)		As at 31.03.2014 Amount (₹)
	Authorised	
<u>3,000,000,000</u>	300,000,000 Equity Shares of ₹10/- each	<u>3,000,000,000</u>
	Issued And Subscribed	
2,109,155,000	a) 211,065,500 (Previous year 210,915,500) Equity Shares of ₹10/- each issued under section 4 of State Financial Corporations' Act, 1951	2,110,655,000
6,266,000	b) 626,600 Shares of ₹10/- each issued under section 4A(1) of the State Financial Corporations' Act, 1951 as special class of shares.	6,266,000
		<u>2,116,921,000</u>
<u>2,115,421,000</u>		
	Paid-Up	
2,115,421,000	Issued & Subscribed	2,116,921,000
40,340,000	Less : Amount Forfeited - 4,034,000 equity shares of ₹10/- each	40,340,000
<u>2,075,081,000</u>	Balance 207,658,100 (Previous year 207,508,100) shares of ₹10/- each	<u>2,076,581,000</u>
2,068,815,000	a) 207,031,500 (Previous year 206,881,500) Equity Shares of ₹10/- each under section 4 of State Financial Corporation' Act, 1951 fully paid up.	2,070,315,000
6,266,000	b) 626,600 Shares of ₹10/- each issued under section 4A(1) of the State Financial Corporations Act, 1951 as special class of shares.	6,266,000
		<u>2,076,581,000</u>
<u><u>2,075,081,000</u></u>	Total	<u><u>2,076,581,000</u></u>



Schedule 'B' - Reserve and Surplus

As at 31.03.2013
Amount (₹)

As at 31.03.2014
Amount (₹)

	a) Special Reserve for the purpose of Section 36(1)(viii) of the Income Tax Act. 1961		
178,567,013	Balance as per the last Balance Sheet	178,567,013	
166,800,000	Less : Utilised towards provisioning for NPA upto Previous year	166,800,000	
<u>11,767,013</u>			11,767,013
105,510,000	b) Share Premium		105,510,000
25,000,000	c) Special Reserve Fund (Section 35A of SFCs Act)		25,000,000
430,847	d) Reserve under clause 91(vii) of General Regulation of HFC		565,937
22,976,000	e) Shares Forfeiture Reserve		22,976,000
<u>165,683,860</u>	Total		<u>165,818,950</u>

Schedule 'C' - Borrowings

As at 31.03.2013
Amount (₹)

As at 31.03.2014
Amount (₹)

	Small Industries Development Bank of India (SIDBI) holding for SIDBI in trust the securities offered by the Corporation's constituents against loans advanced to them by the Corporation :		
	Guaranteed by State Government		
945,129,300	- Refinance under LOC and TUF Scheme	615,129,300	
	Not Guaranteed by State Government		
4,982,853	- Refinance under Seed Capital, MUN and NEF scheme	4,982,853	
<u>950,112,153</u>	Total		<u>620,112,153</u>



As at 31.03.2013
Amount (₹)

Schedule 'D' - Other Liabilities

As at 31.03.2014
Amount (₹)

a) Other Liabilities

135,089	Unclaimed Dividend	0
63,380,308	Provision against Gratuity	5,392,378
47,917,686	Provision against Leave Encashment	44,913,418
4,972,672	Provision against Compassionate Assistance	4,918,924
126,416,691	Sundry Deposits	126,020,195
170,000,000	Advance from HSIIDC - Sale of properties	390,000,000
2,919,450	Earnest Money	2,475,250
9,482,596	Borrowers' Imprest	7,986,096
7,010,000	Security Deposits	6,910,000
3,088,000	Sundry Creditors	3,088,000
2,677,896	Other Expenses Payable	1,786,775

b) State Government Funds (As an Agency)

1) Subsidies

97,160	Credit Linked Capital Subsidy	97,160
924,055	Central Subsidy	924,055
75,357	Generating Set Subsidy	75,357
3,985,238	State Subsidy	4,065,238
		<u>5,161,810</u>

2) Agency and Seed Money Loans

77,602	State Govt. funds under Agency agreement	77,602
132,258	Sundry Deposits	132,258
217	Borrowers' Imprest - Agency Funds	217
13,770	Borrowers' Imprest - Seed Money	13,770
472,214	Interest Due - Agency Loans	472,214
1,073,874	Interest Due - Seed Money RIS	1,099,327
5,739,423	Seed Money from State Govt.	5,739,423
651,254	Seed Money RIS	651,254
11,327	Interest Received - Agency Funds	11,565
38,663,879	Interest Received - Seed Money (Agency)	42,465,585
		<u>50,663,215</u>

c) Contingent provision against Standard Assets

1,906,000	Upto previous year	1,549,000
357,000	Less : Excess provision provided in earlier years written back	353,000
		<u>1,196,000</u>
<u>491,467,016</u>	Total	<u>650,512,061</u>



Schedule 'E' - Provisions

As at 31.03.2013 Amount (₹)		As at 31.03.2014 Amount (₹)
382,517,000	i) Provision for Non-performing Loan Assets : Upto previous year	344,288,000
38,229,000	Less : Excess provision provided in earlier years written back	23,955,000
		<u>320,333,000</u>
139,630,771	ii) Provision for non-performing leasing assets Upto previous year	136,890,329
2,740,442	Less : Excess provision provided in earlier years written back	0
166,800,000	iii) Adjusted out of Special Reserve u/s 36(i)(viii) of Income Tax Act, 1961	136,890,329
		<u>166,800,000</u>
44,156,363	iv) Provision for diminution in value of Investments : Upto previous year	42,510,114
1,646,249	Less : Excess provision provided in earlier years written back	673,350
<u>690,488,443</u>	Total	<u>41,836,764</u> <u>665,860,093</u>

Schedule 'F' - Cash and Bank Balances

As at 31.03.2013 Amount (₹)		As at 31.03.2014 Amount (₹)
187,376	Cash in hand	
214	i) Corporation Funds	376,461
	ii) Agency Funds & Seed Money	214
		<u>376,675</u>
	Balance with Schedule Banks	
32,061,375	i) In Current Accounts	
5,895	a) Corporation Funds	11,529,271
2,052,021	b) Agency Funds	6,133
<u>34,306,881</u>	ii) In Fixed/Short Term Deposits	11,535,404
	Total	<u>67,240,820</u> <u>79,152,899</u>

Schedule 'G' - Investments

As at 31.03.2013 Amount (₹)	Investments (As per annexure to Schedule 'G') :	As at 31.03.2014 Amount (₹)
1,450,000,000	I) Held till maturity - Unquoted	1,450,000,000
	II) Available for sale	
32,939,260	a) Quoted	32,939,260
14,704,920	b) Unquoted	14,704,920
<u>1,497,644,180</u>	Total	<u>47,644,180</u> <u>1,497,644,180</u>

Schedule 'H' - Loans and Advances

As at 31.03.2013 Amount (₹)		As at 31.03.2014 Amount (₹)
879,388,133	Loans & advances (as per annexure to Schedule 'H')	686,079,795
562,835	Interest accrued and due	598,095
3,275,000	Adhoc Limit - Boughtout Deals	3,275,000
883,225,968		<u>689,952,890</u>
3,284,337	Soft loan - NEF, MUN & SEMFEX	3,225,438
886,510,305		<u>693,178,328</u>
57,148,124	Loans for Leasing Equipments (Advance)	57,148,124
27,473,338	Vehicle Sub-Leasing	27,473,338
<u>971,131,767</u>	Total	<u>777,799,790</u>



Schedule 'I' - Fixed Assets

Corporation's Assets

(Amount in ₹)

Sr. No.	Particulars	WDV as on	Additions		Sold/ Transferred during the year	Value	Rate of Dep. % age	Total Dep. during the year	WDV as on
		01.04.2013	Upto 30.09.2013	After					31.03.2014
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
A) Land & Building									
	1. Land	6,490,726	0	0	0	6,490,726	0	0	6,490,726
	2. Building - Office	33,792,102	0	0	0	33,792,102	10	3,379,210	30,412,892
	- Residential	22,646,024	0	0	0	22,646,024	5	1,132,301	21,513,723
	TOTAL	62,928,852	0	0	0	62,928,852		4,511,511	58,417,341
B) furniture & Fittings									
	1. Furniture	830,698	0	0	51,074	779,624	10	77,961	701,663
	2. Safes, Cabinets & Padlocks	254,424	0	0	24,132	230,292	10	23,030	207,262
	3. Misc.	162,703	0	0	13,197	149,506	10	14,952	134,554
	4. Electric Fittings	1,163,218	46,740	0	19,508	1,190,450	10	119,045	1,071,405
	TOTAL	2,411,043	46,740	0	107,911	2,349,872		234,988	2,114,884
C) Plant & Machinery									
	1. Computers	27,345	5,250	0	0	32,595	60	19,556	13,039
	2. Typewriters, Duplicators etc.	3,821	0	0	204	3,617	15	543	3,074
	3. Staff Cars & Jeep	1,354,687	0	0	0	1,354,687	15	203,203	1,151,484
	4. Bicycles	7,456	0	0	341	7,115	15	1,069	6,046
	Total	1,393,309	5,250	0	545	1,398,014		224,371	1,173,643
	Grand Total - (A+B+C)	66,733,204	51,990	0	108,456	66,676,738		4,970,870	61,705,868

Leasing Assets

Particulars	WDV of Equipments leased as on 01.04.13	Additions During the Year	Sale/ Adjustment	Value as on 31.03.2014	Lease Rentals Received During the Year	Interest out of Rentals Received	Principal out of rentals Charged to Depreciation	WDV of Equipments leased as on 31.03.2014
D) Leasing Assets	52,268,867	0	0	52,268,867	0	0	0	52,268,867

Total Depreciation : 4,970,870

Total WDV (A+B+C+D) : 113,974,735



Schedule 'J' - Other Assets

As at 31.03.2013 Amount (₹)			As at 31.03.2014 Amount (₹)
9,054,871	Staff loans		6,331,448
998,046	Advances against Expenses		1,092,293
	Tax deducted at source :		
1,998,718	Financial year 2011-12	0	
2,118,572	Financial year 2012-13	2,118,572	
0	Financial year 2013-14	<u>2,255,452</u>	4,374,024
	Excess Income Tax deposited :		
3,490,977	Financial year 1981-82	3,490,977	
9,570,353	Financial year 1982-83	<u>9,570,353</u>	13,061,330
114,963	Security Deposits		115,863
6,833,062	Claims recoverable		6,146,593
	Interest Accrued but not due :		
17,431,072	On Loans and advances	7,614,380	
8,626,043	On staff advances and deposits	<u>6,896,713</u>	14,511,093
16,556,484	Dividend Paid - Adjustable against Subvention from State Govt.		16,556,484
	State Government loans (As an Agency) :		
594,661	i) Agency Loans	594,661	
37,088,493	ii) Seed Money Agency	40,890,199	
578,584	iii) Seed Money (RIS)	<u>599,037</u>	42,083,897
<u>115,054,899</u>	Total		<u>104,273,025</u>

Schedule 'K' - Profit and Loss Accounts (Accumulated Losses)

As at 31.03.2013 Amount (₹)			As at 31.03.2014 Amount (₹)
1,632,573,870	Accumulated loss as per last Balance Sheet	1,635,692,674	
3,118,804	Add : Net loss for the year	0	
0	Less : Net Profit for the year	<u>29,653,046</u>	1,606,039,628
<u>1,635,692,674</u>	Total		<u>1,606,039,628</u>



Schedule 'L' - Income from Operations

For the year ended
31.03.2013
Amount (₹)

For the year ended
31.03.2014
Amount (₹)

71,764,188	Interest Income on :	72,296,686	
1,390,422	Loans & Advances	0	72,296,686
	Leasing Equipment Advances		
350,000	Dividend on Investments		270,000
<u>73,504,610</u>	Total		<u>72,566,686</u>

Schedule 'M' - Other Income

For the year ended
31.03.2013
Amount (₹)

For the year ended
31.03.2014
Amount (₹)

267,333	Miscellaneous Income		1,278,135
	Interest Income on :		
191,124	Income Tax	129,912	
1,205,880	Staff Advances	633,315	
24,863,112	Deposits with Banks	9,667,738	10,430,965
33,598,835	Amount received out of bad debts written off		30,388,338
17,872,493	Rental Income		19,935,972
91,500	Profit on Sale of Assets		0
<u>78,090,277</u>	Total		<u>62,033,410</u>

Schedule 'N' - Interest Expenses - Bonds & Borrowings

For the year ended
31.03.2013
Amount (₹)

For the year ended
31.03.2014
Amount (₹)

7,111,828	Interest on Bonds		0
1,120,766	Interest on Deposits/Earnest Money etc.		141,355
467,892	Interest on limit against Fixed Deposits with Banks		0
<u>8,700,486</u>	Total		<u>141,355</u>

Schedule 'O' - Other Financial Expenses

For the year ended
31.03.2013
Amount (₹)

For the year ended
31.03.2014
Amount (₹)

14,013	Bank Charges	8,159
16,854	Stock Exchange Fee	15,000
<u>30,867</u>	Total	<u>23,159</u>



Schedule 'P' - Personnel Expenses

For the year ended 31.03.2013 Amount (₹)		For the year ended 31.03.2014 Amount (₹)
82,449,052	Salaries & Allowances : Other Staff	73,775,505
8,557,673	Contribution to Staff Provident Fund	7,729,908
66,904,532	Gratuity Premium	1,441,402
5,787,199	Leave Salary	6,681,402
1,610,460	Leave Travelling Concession	1,385,571
3,290,367	Medical Expenses	3,607,464
50,000	Training & Participation Fees	50,000
283,948	Staff Welfare	259,871
65,622	Uniforms	0
2,343,056	Compassionate Assistance	1,512,339
320,397	EDLI Premium	104,836
800,207	Administrative Expenses on Provident Fund	717,360
<u>172,462,513</u>	Total	<u>97,265,658</u>

Schedule 'Q' - Administrative Expenses

For the year ended 31.03.2013 Amount (₹)		For the year ended 31.03.2014 Amount (₹)
0	Travelling and other Expenses :	
498,386	a) Managing Director	23,720
87,760	b) Staff	439,287
20,875	c) Statutory Auditors	36,580
	d) Directors & Committee Members	<u>12,290</u>
14,104	Directors & Committee Members' Fees	511,877
2,311,177	Rent, Taxes, Insurance, Electricity etc.	500
529,804	Postage, Telegram & Telephone	2,244,172
457,163	Printing & Stationery	512,791
86,203	Computer Expenses	431,169
73,611	Publicity & Business Promotion	48,579
5,481,592	Depreciation	171,294
448,244	Repairs and Renewals-Office Equipments	4,970,870
668,493	Repairs and Maintenance-Staff cars	279,442
786,638	Legal Charges	694,591
33,872	Books & News Papers	1,521,757
230,370	Repairs & Renewals - Residential Building	38,527
556,847	Professional Charges	409,290
40,000	Audit Fee	450,535
75,503	Entertainment	35,113
361,247	Wealth Tax	87,239
115,053	Others - Misc. Expenses	511,607
8,400	Branch Office Shifting Charges	73,226
<u>12,885,342</u>	Total	<u>13,094,645</u>



Schedule - 'R'

Notes on Accounts

A Significant Accounting Policies

1 The Financial Statements of the Corporation are prepared on Accrual basis except for Interest on NPAs which has been accounted for on receipt basis as per RBI guidelines.

2 The amount received from the borrowers against loans and advances is appropriated in the following orders :

- i) Miscellaneous Expenses
- ii) Interest
- iii) Principal

3 In cases, where the Corporation sells borrowers' assets on deferred payment basis, respective borrowers' loan accounts are credited by the full amount of the sale proceeds after execution of agreement to sell. The deferred part of sale proceeds is treated as fresh loans to the auction purchasers and recovered as per the terms of the sale agreements. In cases where the mortgaged assets were sold before 19.12.2013 on deferred payment basis, respectively borrower's loan accounts were credited by the full amount of sale proceeds after execution of Agreement to Sell. The deferred part of sale proceeds was treated as fresh loan to the auction purchaser and recovered as per terms of Agreement to Sell. The possession of the property was handed over after execution of Agreement to Sell. The Corporation has modified its policy for sale of mortgaged property and as per the new policy approved by the BoD in its meeting held on 19.12.2013, the units will be sold on the terms of payments by the auction purchaser within 3 months. However, in some exceptional cases, the Managing Director may give extension in repayment of sale consideration for a further period of 9 months @ 13% with compounding on monthly basis. The possession of the unit will be handed over to the auction purchaser only after receipt of full amount of bid.

4 The Corporation introduced settlement policies namely, the policy for Compromise Settlement of Chronic Non-Performing Assets (Doubtful Loan Accounts) of Haryana Financial Corporation-2011 and the policy for Compromise Settlement of Loss Accounts of Haryana Financial Corporation - 2011 in the financial year 2011-12 extended upto 30.09.2014 to reduce NPAs/written off portfolios. The Corporation has approved settlement in 250 accounts under these OTS policies upto 31-03-2014.

In the normal course, the recoveries are adjusted first against the actual misc. expenses and then against the outstanding interest and thereafter the balance amount is adjusted against outstanding principal amount. However, as per parameters of OTS Policies, the accounts are recast by appropriating the amount realized by way of sale of mortgaged assets by the Corporation or sale by promoters/guarantors/mortgagers with the permission of the Corporation or by order of any court, on the date of sale, first against actual misc. expenses, then against the principal amount balance if any against the outstanding interest.

5 Retirement Benefits

i) Gratuity to staff is covered under the Group Gratuity Scheme of Life Insurance Corporation of India. Provision for gratuity for the existing staff as on 31.03.2014 amounting to Rs. 0.25 crore as per actuarial valuation of Life Insurance Corporation of India (LIC) has been provided in the books of account and a provision of ₹ 0.29 crore in case of retirees as on 31.03.2014 has been made in the books of accounts. Provision for Leave Encashment payable to staff amounting to ₹4.49 crore has been provided in the books of accounts

ii) Monthly matching contribution towards employees provident fund is remitted to the Regional Provident Fund Commissioner, Chandigarh as per provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and is charged to profit and loss account.



6) **Asset Classification and Provisioning**

i) Loans and Advances have been categorised and provisioning has been made as per guidelines received from Small Industries Development Bank of India (SIDBI) which are as under :

Category	Age of Default for Principal and/or Interest (in months)	Provisioning on Loans Outstanding (%age)
Standard	0 - 3	0.25
Standard Upgraded A/c and Restructured A/c	0 - 3	2.75
Sub-standard	Above 3 - 15	15.00
Doubtful-I	Above 15 - 27	25.00
Doubtful-II	Above 27 - 51	40.00
Doubtful-III	Above 51	100.00
Loss	No Security available	100.00

Provision of 2.75% has been made on the standard assets which are upgraded from NPAs for the first year from the date of upgradation and on restructured accounts classified as standard assets in the first two years from the date of restructuring. In cases of moratorium of payment of interest / principal after restructuring, such advances will attract a provision of 2.75% for the period covering moratorium and two years thereafter.

ii) As per guidelines issued by SIDBI in respect of investments in equity shares (available for sale), evaluation has been done as per market rate, which is the price of the script available from trades / quotes on the stock exchange. Those scripts for which current quotations are not available or where the shares are not quoted on stock exchange, have been valued at book value ascertained from their latest Balance Sheets. In case the latest Balance Sheet is not available, the shares have been valued at ₹ 1/- per company. In case of Investment in equity shares (held to maturity) evaluation has been done at acquisition price.

iii) Entire lease rentals in respect of Equipment Leasing, Vehicle Leasing and Special Vehicle Leasing cases have fallen due for payment before the date of balance sheet, hence provisioning equivalent to the entire amount outstanding on this account as on 31.03.2014 has been made. Lease finance in respect of Loans for Leasing Equipments (advance) and Vehicle Sub Leasing cases are treated as loans, for the purpose of provisioning.

iv) The provisioning has been made without giving the effect of the amount lying in the Sundry Deposits under schedule 'E' - Other Liabilities.

7 **Depreciation**

Depreciation on fixed assets has been provided on written down value method at the rates prescribed under provisions of Income Tax Rules 1962. Depreciation in respect of leasing portfolio is charged equivalent to principal amount out of lease rentals recovered on the basis of Capital Recovery Method. However, amount received in settled cases has been appropriated as per terms of settlement.

B. Contingent liabilities

1 Liability in respect of units disposed off but in dispute - amount indeterminate.

2 The contingent liabilities in respect of claims lodged against the Corporation by ex-employees/pensioners and other claims (20 cases) are to the extent of ₹5.40 crore (approx.) not acknowledged. In addition to above, there are 15 court cases/appeals filed by the employees/ex-employees against which amount is indeterminate.

3 As per MoU signed by the Corporation with SIDBI on 25th March 2004 and renewed on 7th August, 2009, certain benefits, relief and concessions were provided by SIDBI to the Corporation which as per terms of the MoU can ipso-facto be withdrawn at the sole discretion of SIDBI in the event of non-compliance of terms and conditions of this MoU. There shall be a liability of ₹1384.35 lakh upto 31.05.2010, if the reliefs/concessions so given by the SIDBI are withdrawn. Further in view of One-time Settlement of outstanding refinance by SIDBI as discussed in note 'C' below, the provision of accrued interest w.e.f. 01.06.2010 onwards has not been made during the current financial year.



4 A demand of ₹1.39 crore (approx.) (after adjusting the refund of ₹1.10 crore against assessment year 2005-06 and ₹0.20 crore against assessment year 2011-12) has been raised by the Income Tax Department for the AYs 1981-82 and 1982-83 on account of excess amount refunded by Income Tax Department in the earlier years against which appeals are pending with ITAT.

5 Sale Tax assessments for the financial years 2004-05, 2005-06, 2006-07, 2007-08, 2008-09 & 2009-10 have been completed by the Assessing Authority, Panchkula & Sales Tax/VAT liability for these financial years has been assessed at ₹124.41 lakh. As the Corporation has filed appeals with higher authority the above liability of ₹124.41 lakh has not been provided in the accounts against these orders.

C. SIDBI vide their letter dated 10.01.2011 has approved one time settlement of outstanding refinance amount of ₹181.68 crore at ₹130 crore with no further interest (outstanding and future) to be paid within three years subject to the condition that in the event of default(s) in the payment of OTS dues, SIDBI shall have right to reverse the waiver of dues as envisaged under OTS and restore the original liability. Keeping in view the above OTS, no provision of accrued interest w.e.f. 01.06.2010 onwards has been made during the current financial year. The effect of principal waiver of ₹51.68 crore has accordingly been not given in the books of accounts and the same shall be given in the year of final payment as per OTS. Against the total OTS amount of ₹130.00 crore, the Corporation has paid ₹119.67 crore upto 31.03.14 and the balance amount of ₹10.33 crore shall be paid by the end of September 2014. SIDBI vide its letter dated 26.02.2014 allowed the Corporation to deposit the balance of OTS amounting to ₹10.33 crore by the end of September 2014, but the decision on the charging of interest on defaulted amount for the defaulted period will be taken after the receipt of entire OTS amount from the Corporation.

There is a State Government Guarantee against refinance of Rs. 105.00 crore in favour of SIDBI which is outstanding as on date, as the same shall be extinguished when the entire payment of SIDBI is made.

D. The Corporation appointed IFCI Ltd. to study the pros. and cons. of merger/winding up of the Corporation. The report of the financial consultant was deliberated by the Board of Directors of the Corporation (BoD) in its meeting held on 10.07.2012. BoD/HFC decided to complete the process of sale of properties owned by the Corporation/settlement of liabilities by 31.03.15 and deploy the surplus staff to other departments. The Board of Directors of the Corporation as well as State Government, Haryana has approved transfer of three properties of the Corporation to HSIIDC for ₹47.57 crore (approx.) (against which Corporation has received ₹39.00 crore as advance upto 31.03.2014). The Corporation has also initiated steps for the deployment of surplus staff and got eight class IV employees deployed in Haryana Government / Haryana Government Undertaking through Surplus Staff Cell of Haryana.

E. Subvention amounting to ₹7,17,53,106/- is receivable from State Govt. for payment of the minimum guaranteed dividend for the period of financial years 1996-97 to 2000-01 (upto 05.09.2000) against the guarantee given by the State Govt. under Section 6 read with Section 35 of the State Financial Corporations Act, 1951 for which claim has been lodged with the State Govt.. Against above, the Corporation has since paid ₹1,65,56,484/- to the retail investors/others from its own sources. The said amount has been shown under the head - Dividend Paid (adjustable against subvention to be received from State Govt.) in 'Schedule 'J' - Other Assets'. The State Govt. guarantee has been withdrawn w.e.f. 06.09.2000 as per SFCs (Amendment) Act, 2000 and thereafter no dividend has been provided / declared.

F. The value of primary and collateral securities of all the Loans and Advances as on the date of Balance sheet is not re-assessed. However, adequate provision against non-performing assets (NPAs) has been made in the books of accounts as on 31.03.2014 as per the provisioning norms of SIDBI.

G. The Corporation had advanced loans (prior to 01.04.2001) in the name of various equipment suppliers to lessees for purchase of Leasing Equipments. In some of the cases, the lessees have not submitted bills and other documents against purchase of these equipments. A sum of ₹5,71,48,124/- is still outstanding in this regard as on 31.03.2014 which has been shown under the head "Loans for Leasing Equipments (Advance)" in Schedule - 'H' - 'Loans and Advances'. The Corporation has already initiated necessary action for recovery of this amount.

H. Loans and advances are categorised and provisioning made there against on the basis of guidelines received from Small Industries Development Bank of India as Standard, Sub Standard, Doubtful and Loss



Assets as detailed below :

(₹ in crore)

Assets Classification	Current Year		Previous Year		Change in provision over the prev. year
	Loans outstanding	Provision	Loans outstanding	Provision	
Standard Loan Assets : Including Upgraded A/c and Restructured A/c	11.68	0.12	22.39	0.15	-0.03
Non-Performing Loan Assets					
Sub Standard Assets	01.10	0.16	17.28	02.59	-2.43
Doubtful Assets	46.60	38.99	37.85	37.77	1.22
Loss Assets	09.56	09.56	10.75	10.75	-1.19 -2.40
Total	68.94	48.83	88.27	51.26	-2.43

Corporation has written back excess provision of ₹0.03 crore against standard loan assets and ₹2.40 crore against Non-performing loan assets during the year.

Provision on Leasing Portfolio has been made at 100 percent of the portfolio.

(₹ in crore)

Leasing Portfolio	Current Year		Previous Year	
	Amount	Provision	Amount	Provision
Loan for Leasing Equipments (Advance)	5.71	5.71	5.71	5.71
Vehicle Sub Leasing	2.75	2.75	2.75	2.75
Equipment Leasing	4.72	4.72	4.72	4.72
Vehicle Leasing	0.51	0.51	0.51	0.51
Total	13.69	13.69	13.69	13.69

- I. As per guidelines issued by SIDBI, provision towards diminution in the value of investments of ₹2.93 crore in respect of listed shares and ₹1.25 crore in respect of unlisted shares, totalling to ₹4.18 crore is required to be made upto 31.03.2014 against which the Corporation has already made provision of ₹4.25 crore upto 31.03.2013. Therefore, provision of ₹0.07 crore has been written back during the year which has been shown in Schedule 'E' - Provisions.
- J. Amount of ₹ 3,04,12,892/- shown as Building - Office under Schedule 'I' - Fixed Assets includes ₹68,06,312/- paid and ₹30,88,000/- to be paid by the Corporation against allotment of 4 suites in HUDCO Place, Andrews Ganj, New Delhi by Government of Haryana. The Board of Directors of the Corporation in its meeting held on 22.12.2011 has decided to transfer these suits to HSIIDC along with Corporate office building at Plot No. 6, Sector 6, Panchkula and 59 Flats at Housing Board Complex, Sector 14, Panchkula. The Corporation has received ₹39.00 crore as advance against these properties. The possession of these suits has been handed over to HSIIDC.
- K. The Leasing Assets under Schedule 'I' - Fixed Assets, have been depreciated on Capital Recovery Method. The leased assets financed by the Corporation belong to the period prior to 01.04.2001, hence the equipment leasing has not been classified as Loans and Advances as per the Accounting Standard (AS-19) because it is applicable only on the leasing activities done after 01.04.2001.
- L. The State Govt. has appointed Corporation as agent for disbursement of its various subsidies, seed money and agency loans. Unutilized amount against various subsidies has been shown under the sub head "(b)(1) State Govt. Funds (As an Agency)" of Schedule 'D' - Other Liabilities. Liabilities towards State Govt. against Agency & Seed Money Loans have been shown against '(b)(2)' under the said sub head. The balance of Agency and Seed Money loans have been shown in Schedule 'J' - Other Assets. The amount of interest accrued in these loans is credited to respective interest account under Other Liabilities and debited to relevant loan account as the amount so received from the borrowers on this account is payable to the State Government.



- M. Sundry Deposits include a sum of ₹1095 Lakh being the sale price in case of M/s Surindera Enterprises Pvt. Ltd., Rewari, a joint financing case with Haryana State Industrial and Infrastructure Development Corporation Ltd. (HSIIDC). A new loan account of ₹821.25 lakh in the name of Auction purchaser namely M/s Balaji Enterprises under the head Loan & Advances was opened after receipt of ₹273.75 lakh i.e. 25% of the sale amount. Being joint financing case, the sale proceeds are yet to be shared between HFC and HSIIDC on pro-rata.
- N. Claim Recoverable under Schedule 'J' - Other Assets includes a sum of ₹38,01,285/- (Rupees thirty eight lakh one thousand two hundred eighty five) recoverable in case of M/s S.K. Wood Products, Yamuna Nagar. In this case the collateral security was sold to Sh. S.K. Saini and Sh. Robin Saini (auction purchasers) for ₹24.30 lakh on 23.08.07. Later on Auction Purchasers filed writ petition in the Hon'ble Punjab & High Court, Chandigarh seeking relief that the property purchased by them had no access and the Corporation may provide the access to the auctioned land or refund the amount. The case was decided with the directions to the Corporation to refund the amount alongwith interest. Accordingly the Corporation refunded a sum of ₹38,01,285/- to the auction purchaser by debiting Claim Recoverable Account as the loan account of loanee M/s S.K. Wood Products has already been adjusted. The Corporation is taking steps to sell this property and Claim Recoverable Account will be adjusted out of the sale proceeds.
- O. Disclosure requirements for SFCs in compliance of SIDBI;s guidelines.

		F.Y. 2013-14 (₹ in lakh)	
1	Capital		22.39%
a)	CRAR %		22.39%
b)	The amount of subordinated debt raised and outstanding as Tier - II capital		---
c)	Risk Weighted Assets		25307.54
	i. On Balance Sheet items		---
	ii. Off Balance Sheet		---
d)	The Share holding pattern as on the date of the Balance Sheet	Amount	% age
	i. Govt. of Haryana	20201.17	97.28
	ii. SIDBI	432.65	2.08
	iii. Commercial Banks, Insurance Cos. etc.	20.17	0.10
	iv. Private Shareholders	111.82	0.54
	Total	<u>20765.81</u>	<u>100.00</u>
2	Asset Quality and Credit Concentration		
e)	% age of net NPAs to Net loans and advances		42.49
f)	Amount and %age of Net NPAs under the prescribed asset classification categories	Amount	% age
	i. Sub Standard Assets	93.18	4.64
	ii. Doubtful Assets	761.04	37.86
	Total :	<u>854.22</u>	<u>42.50</u>
g)	Amount of provision made during the year		
	i. Provision for Standard Assets		-3.53
	ii. Provision for NPAs		-239.55
	iii. Provision for Investments		-6.73
	Total		<u>- 249.81</u>
h)	Movement in Net NPA		
	i. Sub Standard Assets		-1375.17
	ii. Doubtful Assets		752.92



i) Credit Exposure as percentage to Capital Funds and percentage to Total Assets (₹ in Lakh)

Particulars	Principal	To Total Capital	To Total Assets Funds
Largest single borrower	578.02	2.02%	2.25%
Largest borrower group	309.28	1.08%	1.20%
The 10 Largest single borrowers	2707.04	9.46%	10.52%
The 10 Largest borrower groups	1685.93	5.89%	6.55%

j) Credit exposure to 5 largest industrial sectors as % to total loan assets 2813.75 40.63%

3 Liquidity

k) Maturity pattern of Rupee assets and liabilities as per Balance Sheet and

l) Maturity pattern of foreign currency assets and liabilities on the following format :

Items	Less than or equal to 1 year	More than 1 year upto 3 years	More than 3 years upto 5 years	More than 5 years upto 7 years	More than 7 years upto 10 years	More than than 10 years	Total
Rupee assets	1330.64	436.77	307.71	6650.36	0.00	17002.96	25728.44
Foreign Currency Assets	-----NIL-----						
TOTAL	1330.64	436.77	307.71	6650.36	0.00	17002.96	25728.44
Rupee Liabilities	6556.47	80.00	80.00	80.00	120.00	23033.69	29950.16
Foreign Currency Liabilities	-----NIL-----						
TOTAL	6556.47	80.00	80.00	80.00	120.00	23033.69	29950.16

4 Operating Results

m) Interest income as a percentage to average working funds 3.12%

n) Non-interest income as a percentage to average working funds 1.95%

o) Net Profit/(Loss) as a percentage to Average Working Funds 1.12%

p) Net Profit/(Loss) per employee ₹ 2.28 lakh




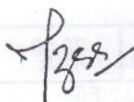
5	Earning per Share			(Amount in ₹)
a)	Profit/(Loss)after Tax			29,653,046
	Profit/(Loss) attributable to ordinary Share Holders			29,653,046
b)	Weighted Average of Common Stock	No.	Period Outstanding (days)	Weighted Average
	Shares outstanding as on 31.3.2013	207658100	365	207564812
	Earning Per Share (a/b)			0.14

6 Disclosure requirements under the RBI guidelines dated 7th July,1999 on forward rate agreements under Interest Rate Swaps NIL

P. Figures have been rounded off to the nearest rupee and wherever necessary figures for the previous year have been rearranged/regrouped in order to make it in conformity with current year's figures.

Q. Schedules 'A' to 'R' form integral part of the Balance Sheet and Profit & Loss Account.


Ashok Pahwa
General Manager


Tarun Bajaj, IAS
Managing Director

Place : Chandigarh
Dated : 11th August 2014

For **R.P.Mallick & Associates**
Chartered Accountants


R.P.Mallick
FCA (Prop.)
Membership No.083882
Firm Regd. No.04867N



Annexure to Schedule - 'G'

Statement Showing Particulars of Investments in shares as on 31st March, 2014

S.No.	Name of the Company	Face value	Cost per Share	Value per Share as on 31.3.2014	No. of Shares	Cost as on 31.3.2014	Value as on 31.03.2014
I) Held to Maturity							
1.)	Haryana Power Generation Corp. Ltd.	1000.00	1000.00	1000.00	1450000	1450000000	1450000000
II) Available for Sale							
A Listed : Ordinary - Fully Paid Up							
1.	Global Inds. Ltd., Gurgaon	10.00	10.00		300000	3000000	1
2.	Green Mark Infra Ltd. (Formerly JIVAN FLORA LTD., GGN.)	10.00	12.00		146600	1759200	1
3.	Veer Vardhman Inds., Panipat	10.00	10.00		250000	2500000	1
4.	Indo Britain Agro Farms Ltd.	10.00	10.00		180300	1803000	1
5.	Aravali Pipes Ltd., Hisar	10.00	15.00		205000	3075000	1
6.	Doon Valley Rice Mills, Karnal	10.00	30.00		100000	3000000	1
7.	Pam Raffia Ltd., Panchkula	10.00	10.00		10406	104060	1
8.	Swet Chem Antibiotic Ltd., Karnal	10.00	10.00		44800	448000	1
9.	GRM Overseas Ltd., Panipat	10.00	20.00	29.00	125000	2500000	3625000*
10.	Uma Fabrics Ltd., Gurgaon	10.00	10.00		350000	3500000	1
11.	Shiva Suitex Ltd., Gurgaon	10.00	10.00		500000	5000000	1
12.	Bharat Polyfab Ltd., Rewari	10.00	12.50		500000	6250000	1
					2712106	32939260	3625011
B. Unlisted : Ordinary - Fully Paid Up							
1.	INA Polyester Buttons Ltd., Faridabad	10.00	10.00		200000	2000000	1
2.	Apex Multitech Ltd., Panchkula	10.00	10.00		200000	2000000	1
3.	Nitika Cements Ltd., Panchkula	10.00	14.00		214280	2999920	1
4.	INA Polyester Buttons Ltd., Faridabad	10.00	10.00		200000	2000000	1
5.	Apex Multitech Ltd., Panchkula	10.00	15.00		375000	5625000	1
6.	Hardicon	100.00	100.00	2728.00	800	80000	2182400**
					1190080	14704920	2182405
III) Held for Trading							
						NIL	
Grand Total (I + II + III)					5352186	1497644180	1455807416
						COST	1497644180
						VALUE	1455807416
						DIMINUTION	41836764

Note : (*) Value of the shares as on 31st March, 2014.

(**) Value of share has been determined on the basis of balance sheet as on 31st March, 2013.



Annexure to Schedule - 'I'

Details of Loans and Advances - as on 31.03.2014

(₹ in Thousands)


I. Particulars of Loans & Advances			
1.	Debts considered good in respect of which the Corporation is fully secured :-		
	(i) Standard Assets	116,800	
	(ii) Sub Standard Assets	10,962	127,762
2.	Debts previously fully secured		
	(i) Doubtful Assets	462,682	
	(ii) Loss Assets	95,636	558,318
			866,080
	Soft Loans - SIDBI		3,225
			869,305
3.	Debts due by concerns in which one or more Directors of the Corporation are interested as Directors, Partners, Proprietors or Managing Agents or in case of Private Companies as Members.		---
4.	Total amount of Loans disbursed during the year to concern in which one or more Directors, Partners, Proprietors or Managing Directors or in case of Private Companies as Members.		---
5. i)	Total amount of instalments whether of principal or interest of which default was made at any time during the year		386,373
ii)	Total amount of instalments whether of principal or interest over due at the end of year (excluding those against whom legal action has been taken and are disclosed under (iv) below).		2,568,572
iii)	Total amount of instalments whether of principal or interest overdue in concerns in which the Directors of the Corporation are interested		---
iv)	Total amount due from Industrial concerns against whom suits are pending in courts (this includes cases in which decrees other than consent decrees have been obtained and where other legal action has been taken.)		42,581,334
v)	Debts guaranteed by the State Govt.		---
6.	Debts due from loanee concerns whose management has been taken over by the Corporation		---
7.	Debts considered doubtful and loss assets. Provisioning made to the extent of ₹482,217 thousands		558,318
II The Classification of Loans and Advances according to the size of the Industrial Units			
i)	Debts due from small scale industrial concerns		540,260
ii)	Debts due from concerns other than those included under (i) above		149,045
			689,305
III The Classification of Loans and Advances according to the Constitution of the Industrial Units.			
a)	Proprietorship		161,601
b)	Partnership		85,579
c)	Private Limited Companies		318,379
d)	Public Limited Companies		123,746
			689,305



HARYANA FINANCIAL CORPORATION, CHANDIGARH
CASH FLOW STATEMENT FOR THE PERIOD FROM 01.04.13 TO 31.03.14

Sources	Amount (₹ in lakh)	
1. Opening Cash and Bank Balances		343.07
2. Increase in Share Capital		15.00
3. Recovery of Principal - Term Loans		1759.80
4. Interest Receipts		
Term Loans	820.79	
Other Interest (Staff Adv. + STD)	121.60	942.39
5. Misc. Income :		
Dividend on Investments	2.70	
Rent Received	199.36	
Miscellaneous Income	12.78	
Recovery out of Bad Debts	303.88	518.72
6. Advance from HSIIDC - Sale of Properties		2200.00
7. Other Cash Inflows		34.90
	Total	<u>5813.88</u>

Uses		
1. Repayments - Refinance to SIDBI		3300.00
2. Interest Payments		1.41
3. Salary & Wages		1593.16
4. Administrative & Other Expenses		80.34
5. Other Cash Outgoings		47.44
6. Closing Cash and Banks Balances		791.53
	Total	<u>5813.88</u>


Ashok Pahwa
General Manager




Tarun Bajaj, IAS
Managing Director



HARYANA FINANCIAL CORPORATION CHANDIGARH

FORM OF NOMINATION OF DIRECTOR IN TERMS OF REGULATION 62 OF THE GENERAL REGULATIONS

(For election of a director pursuant to clause (e) of Section 10 of the Act., when the nomination is not made by a resolution of the shareholding institution.)

We, the undersigned, being the parties referred to in clause (d) of Sub-section (3) of Section 4 of the State Financial Corporations Act, 1951 and holding shares of the Haryana Financial Corporation, the numbers of which are given hereunder against our respective names, do hereby nominate

Shri _____ having folio no. _____ Resident of _____

as a candidate for election of director at the forthcoming **47th Annual General Meeting** of the Haryana Financial Corporation to be held in Chandigarh at **11.30 a.m. on 10th November, 2014** or at any adjournment thereof to represent the parties other than those referred to in clause (a) (b) & (c) of sub-section (3) of section 4 of the State Financial Corporations Act, 1951 on the Board of Directors of the Haryana Financial Corporation.

Name of the Shareholders	Folio No.	Denoting numbers of shares	Signature of the the shareholders
1. _____	_____	_____	_____
2. _____	_____	_____	_____

Note : If any Shareholder signs through his duly constituted attorney, this fact should be shown against his signature and the original or a true copy of attorney certified by the Notary Public or a Magistrate should be attached.

DECLARATION BY THE CANDIDATE

I, _____ S/o _____ the candidate hereinabove mentioned, declare that I hereby accept the nomination and am willing to stand for election and that I am not disqualified for election under section 12 of the State Financial Corporation Act., 1951.

Signature of the Candidate Nominated

Declaration signed before me by
the candidate nominated
(Judge/ Magistrate/Registrar/
Sub Registrar of Assurance/
or other Gazetted Officer

Dated

**HARYANA FINANCIAL CORPORATION
CHANDIGARH**



FORM OF NOMINATION OF DIRECTOR IN TERMS OF REGULATION 62 OF THE GENERAL REGULATIONS

(For nomination/election of a director pursuant to clause (d) or (e) of Section 10 of the Act when the nomination is made by a resolution of the shareholding institution)

(Applicable to Institutions & Companies)

Resolved that Shri _____ of M/s _____
_____ having folio no. _____

be and is hereby nominated as a candidate for nomination/election as a director at the forthcoming **47th Annual General Meeting** of the shareholders of the Haryana Financial Corporation to be held at Head Office of the Corporation i.e. Bays Nos 17, 18, & 19, Sector 17-A, Opp. L.I.C. Building Chandigarh at **11.30 a.m. on 10th November, 2014** or at any adjournment thereof to represent as a class of shareholders on the Board of Directors of the Corporation.

CHAIRMAN'S CERTIFICATE

Certified that the above is true copy of the resolution passed at the duly convened meeting of the Directors of Company M/s _____

held on _____ at _____

The undersigned was the Chairman of the said meeting.

Signature of the Chairman
(Rubber Stamp of the Company)

DECLARATION BY THE CANDIDATE

I, _____ S/o Shri _____

Resident of _____

the candidate hereinabove mentioned, declare that I hereby accept the nomination and am willing to stand for election and that I am not disqualified for election under section 12 of the State Financial Corporations Act., 1951.

Signature of the Candidate (Nominated)

Declaration signed before me by
the candidate nominated
(Attestation to be done by 1st Class Magistrate/Registrar/
Sub Registrar of Assurance/
or other Govt./Gazetted Officer

Dated



**HARYANA FINANCIAL CORPORATION
CHANDIGARH**

**PROXY FORM
(Vide General Regulation 58)**

I/We _____
Resident of _____
being a shareholder of the Haryana Financial Corporation holding shares _____ (Nos.) hereby
appoint Sh. _____ of _____
(or failing him Sh. _____ of _____
_____) as my / our proxy to vote for me/us and on my/our behalf at the **47th
Annual General Meeting** of Shareholders of the Corporation to be held at the Head Office of the Corporation i.e.
Bays Nos 17,18, & 19, Sector 17-A, (Opp. L.I.C. Building), Chandigarh at **11.30 a.m. on 10th November, 2014** or at
any adjournment thereof.

Dated this _____ day of _____ 2014.

Affix ₹ 1/-
Revenue Stamp

Signature of Shareholder(s)

Folio No. _____

Specimen Signature of Proxy holder(s)

For Office use Only

No. of Shares

No. of Votes

Denoting Nos.

Class of Shareholders



**HARYANA FINANCIAL CORPORATION
CHANDIGARH**

**SPECIMEN OF AUTHORISATION FORM
(Applicable to Institutions & Companies)**

Resolved that Shri _____

(or failing him Shri _____

be and is hereby appointed to act as DULY AUTHORISED REPRESENTATIVE of
M/s. _____ Folio No. _____

to exercise voting rights and other powers on its behalf at the **47th Annual General Meeting** of the Shareholders of the Haryana Financial Corporation to be held at the Head Office of the Corporation i.e. Bays Nos. 17,18, & 19, Sector 17-A, Chandigarh at **11.30 a.m. on 10th November, 2014** or at any adjournment thereof.

CHAIRMAN

CHAIRMAN'S CERTIFICATE

Certified that the above is true copy of the resolution passed at the duly convened meeting of the Directors
of Company M/s _____

held on _____ at _____

The undersigned was the Chairman of the said meeting.

Specimen Signature of Authorised person(s)

Signature of the Chairman
(Rubber Stamp of the Company)



**HARYANA FINANCIAL CORPORATION
CHANDIGARH**

**FORM FOR ATTENDANCE/IDENTIFICATION AND FOR DETERMINING THE VOTING RIGHTS OF
SHAREHOLDERS (FOR 47th AGM for the FY 2013-2014)**

(PLEASE FILL THE FORM AND HAND OVER AT THE ENTERANCE OF THE MEETING HALL)

1. Name of the Shareholder (in full) _____
 2. Registered Address _____
 3. Registered Number of Shares _____
 4. Class of the Shareholder (General Regulation 7(vii) _____
 5. a) Whether he is entitled to vote at the General Meeting
- Note :** To be entitled to vote, a shareholder must have been registered as a shareholder for a period of not less than 90 days prior to the date of a General Meeting.
6. Number of votes to which he is entitled
 - 7)
 - i) Attending in person
 - ii) Attending through a proxy.
 - iii) Attending through a duly authorised representative

Place _____

Date _____

Signature

Folio No.

Category of shareholders as per section 4(3) of SFCs Act, 1951

- a State Govt. (Haryana)
- b SIDBI
- c Banks, Financial Institutions, Insurance Co., Central/State Govt. Institutions/Non Govt. Institutions
- d Others (Shareholders other than those referred to in clause (a), (b), (c) above)

BOOK - POST

To,

If undelivered, please return to :
HARYANA FINANCIAL CORPORATION
Bays Nos. 17, 18 & 19, Sector 17-A
Chandigarh - 160 017