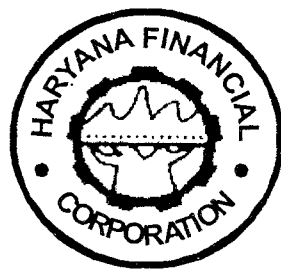


**44th
ANNUAL REPORT
2010 - 2011**



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 DHILLON & ASSOCIATES,
Quite Office No. 4,
Sector 35-A,
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

OFFICE

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

HARYANA FINANCIAL CORPORATION

BAYS Nos. 17,18 & 19, SECTOR 17-A, CHANDIGARH



NOTICE

In terms of Regulation 44 of General Regulations of the Corporation read with Section 36 of the State Financial Corporations Act, 1951, it is hereby notified that the 44th Annual General Meeting of Shareholders of the Corporation will be held on Thursday, the 19th January, 2012 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, 2011 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 Dhillon & 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 2011-2012 at a audit fee of Rs.40,000/-, 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 for a period of three years.
4. To elect one Director in the prescribed manner by the shareholders referred to in clause (d) of sub section 3 of section 4 of SFCs Act 1951 for a period of three years.

NOTES:

- i) The Register of Members and Share Transfer Books of the Corporation will remain closed from Monday, 16th January 2012 to Thursday, 19th January 2012 (both days inclusive).
- ii) Nomination papers for 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 4th January 2012).
- 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 43rd Annual General Meeting held on 19.01.2011 appointed M/s Dhillon & Associates, Chartered Accountants, Chandigarh as Statutory Auditors of the Corporation for the financial year 2010-11 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 8.6.2011 has confirmed their eligibility. The audit firm has also given their consent under the provisions of the Companies Act, 1956 and accordingly, the case is placed before the shareholders for their re-appointment.

By Order of the Board
for Haryana Financial Corporation


General Manager

Dated: 15.12.2011
Place: Chandigarh

HARYANA FINANCIAL CORPORATION, CHANDIGARH
DIRECTORS ON THE BOARD OF THE CORPORATION AS ON 31.03.2011



1.	Sh. Chhatar Singh, 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. Ajit M. Sharan, IAS Financial Commissioner & Principal Secretary to Government of Haryana, (Finance Department), Chandigarh.	Director	Co-opted by the Board in terms of Section 10(e)(iv) of SFCs Act, 1951.
3.	Sh. Y.S. Malik, IAS Financial Commissioner & Principal Secretary to Government of Haryana, Industries Deptt., Chandigarh.	Director	Nominated by the State Govt. in terms of Section 10(b) of SFCs Act, 1951.
4.	Sh. K.G. Alai Chief General Manager, Small Industries Development Bank of India (SIDBI), Videocon Tower, E-1, Jhandewalan Extn., New Delhi.	Director	Nominated by SIDBI in terms of section 10(c) of SFCs Act, 1951.
5.	Sh. S. Mukhopadhyay, General Manager, 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. A.K. Loomba Dy. General Manager, Punjab National Bank, Sec 17-B, Chandigarh.	Director	Nominated by PNB in terms of section 10(d) of SFCs Act, 1951.
7.	Sh. Raghupal Singh Sr. Divisional Manager, LIC, Sector 17-B, Chandigarh.	Director	Nominated by LIC in terms of section 10(d) of SFCs Act, 1951.
8.	Sh. Shashi Kapur H.No. 225, Sector 14, Urban Estate, Gurgaon.	Director	Representing shareholders referred to in clause (d) of Sub-Section (3) of Section 4 of SFCs Act, 1951.
9.	Sh. Rajeev Arora, 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

DIRECTOR'S REPORT

The Board of Directors of the Haryana Financial Corporation have great pleasure in presenting the 44th Annual Report together with the audited statements of accounts on the working of the Corporation for the year ended 31st March, 2011.

WORKING RESULTS

During the financial year 2010-11, the Corporation has achieved the following working results :

		(₹ in Crores)	
		2010- 11	2009- 10
A.	Income	20.54	19.57
B.	Interest & Other Financial Expenses	6.65	21.77
C.	Personnel Expenses	10.27	10.80
D.	Administrative Expenses	0.94	1.30
E.	Depreciation	0.67	0.76
F.	Profit before tax & provision for NPAs	2.01	(-)15.06
G.	Provision against NPAs, leased assets & investment written back	3.38	6.45
H.	Net Profit	5.39	(-) 8.61

OPERATIONAL HIGHLIGHTS

The Corporation has stopped sanctioning of the fresh loans. The Corporation is giving emphasis on recovery of the loans especially from NPAs/bad debts etc. The operational areas of the Corporation viz sanction, disbursement and recovery of its dues during the year are given as under.

PERFORMANCE FOR THE YEAR 2010-11

		(₹ in Crores)
Sanction.		1.16
Disbursement.		3.22
Recovery		62.03

SANCTION OF LOANS

The Corporation sanctioned ₹1.16 crores to 6 units established in the HUDA/HSIIDC approved industrial estates after obtaining sufficient security to avoid NPAs at the later stage. These loans were sanctioned to the Micro/Small Scale Sector.

INDUSTRY WISE SANCTION

The important industrial sectors which have obtained term loan assistance from the Corporation during the year includes ₹19.90 lacs for manufacturing of electric machinery, ₹55.50 lacs to stationary units, ₹10.00 lacs to transport and balance to other type of industries.



SIZEWISE SANCTION

The detail of size-wise sanctions of term loan during the year is given as under :-

<u>Size of Assistance</u>	2010-2011 (₹ in Lacs)	
	<u>No.</u>	<u>Amount</u>
Upto Rs. 10 Lakhs	02	9.55
₹ 10 Lakhs to ₹ 20 Lakhs	02	29.35
₹ 20 Lakhs to ₹ 50 Lakhs	01	21.93
₹ 50 Lakhs to ₹ 90 Lakhs	01	55.50
Total	06	116.33

DISBURSEMENT

The Corporation made total disbursement of ₹ 3.22 crore during the year. As already stated above, the Corporation has stopped sanctioning of fresh loans.

RECOVERY OF DUES

In order to improve further liquidity position and reduce dependence on larger debts, the Corporation gave top priority throughout the year to the recovery of its dues. Effective persuasion and follow-up in all cases were done so as to maximize recovery. Efforts were made to make the units viable by making reschedulement of repayments. Wherever, the revival of the unit was not possible, the Corporation also tried for one time settlement. Efforts were also made for out of court settlement in legal cases. Due to all these steps, the Corporation could achieve total recovery of ₹ 62.03 crore which includes pre-mature recovery of ₹ 19.35 crore.

RESOURCES MANAGEMENT

During the year under review, the Corporation was able to meet all its commitments of disbursements and had also repaid the amount due to the banks/others against bonds raised by the Corporation from time to time. During the year the Corporation is able to settle the 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. The detail of the settlement is given in the notes on accounts annexed with the balance sheet. However, brief details of major resources from which the funds were raised are discussed hereunder :-

SHARE CAPITAL FROM STATE GOVT.

The State Govt. provided share capital contribution of ₹ 50.00 lacs during the financial year 2010-11.

REFINANCE

During the year under review, the Corporation availed refinance to the tune of ₹ 0.75 crore from SIDBI and repaid ₹ 13.22 crore including soft loan of ₹ 0.03 crore to SIDBI.

BONDS

During the year, no SLR Bonds quota was allocated to the Corporation. Further, bonds worth ₹ 13.20 crore repaid on maturity during the year.



CORPORATE GOVERNANCE / MANAGEMENT DISCUSSION & ANALYSIS

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.

LISTING

The equity shares of the Corporation are listed at Bombay Stock Exchange Ltd. (BSE).

AUDIT

The shareholders in its 43rd Annual General Meeting held on 19.01.2011 appointed M/s Dhillon & Associates, Chartered Accountants, Chandigarh out of the panel of the RBI as Statutory Auditors for the financial year 2010-2011, who have conducted the audit of the Corporation.

AUDIT BY COMPTROLLER & AUDITOR GENERAL OF INDIA

The audit of the affairs of the Corporation for the year will be undertaken by the Comptroller & Auditor General of India under section 37 (6) of the SFCs Act, 1951 in due course.

BOARD OF DIRECTORS & EXECUTIVE COMMITTEE

SIDBI, the shareholder has nominated Sh. K.G. Alai, CGM as director on the Board of the Corporation in place of Sh. M.K. Sharma, GM on 10.06.2010

Sh. Shashi Kapur, director representing shareholders u/s 4(3)(d) of SFCs Act, 1951 (others) ceased from the directorship w.e.f. 31.07.2010 on completion of his term. However, he has again been elected as director by the shareholders in the AGM held on 19.01.2011 for a period of three years.

The Board of Directors placed on record its appreciation for the keen interest taken by the outgoing directors in the deliberations of meetings of the Board during their association with the Board.

During the year under review 3 meetings of Board of Directors were held. No meeting of Executive Committee was held during the year.

ACKNOWLEDGEMENTS

The Board of Directors wish to place on record its gratitude to Govt. of Haryana, Department of Finance & Department of Industries for their continuous co-operation and support in all the operational matters.

The Board of Directors wish to place on record its gratitude to Small Industrial Development Bank of India (SIDBI) for their continued support and guidance in all operational and financial matters.

The Board wishes to take opportunity to thanks the Banks, Bond subscribers and shareholders for extending their support & co-operation.

The Board placed 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

(RAJEEV ARORA)
MANAGING DIRECTOR



CORPORATE GOVERNANCE / MANAGEMENT DISCUSSION & ANALYSIS

CORPORATE GOVERNANCE REPORT

1. Brief Statement

The Haryana Financial Corporation has been established under the State Financial Corporations Act, 1951. The Companies Act, 1956 is not applicable to the Corporation. Accordingly, the recommendations of the Securities & 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.

2. Board of Directors

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 have been given in the Annual Report. The Board of Directors consisted of nine Directors viz Chairperson, Managing Director, Director nominated by Govt. of Haryana, two representatives of Small Industries Development Bank of India (SIDBI), two Directors of Banks/insurance companies, one Director opted by Board of Directors and one Director from public shareholders. Except Managing Director, all other Directors are Non-Executive. The Chairman is also Non-Executive Director.

3. Audit Committee

The Corporation have since constituted the Audit Committee. The committee consists of Sh. Ajit M Sharan, IAS, Chairman of the Audit Committee, director nominated by SIDBI and Sh. Shashi Kapur, Members (as on 31.03.2011). All the above Directors are non executive & are independent Directors. During the year under reference the audit committee met four times.

4. Remuneration Committee

The Managing Director of the Corporation an IAS officer is a full time Director and is appointed by the State Govt. The remuneration is also being paid to him as per norms of the Centre / State Govt. so the Remuneration Committee has not been constituted by the Corporation. The other Directors are being paid sitting fee and TA/DA as per entitlement.

5. Shareholders/Investors Grievances Committee.

The Corporation have since constituted Shareholders / Investors Grievances Committee. The committee consist of Sh. Mukhopadhyay, Chairman of the committee, Sh. Gautam Nair (upto 30 .03. 2011) and Sh. Shashi Kapur, Members of the committee. The Board of Directors in its meeting held on 31.03.2011 made the appointment of Sh. A. K. Loomba, Director as member in place of Sh. Gautam Nair. All the above directors are non executive and independent Directors.

6. General Body Meetings

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

YEAR	AGM	LOCATION	DATE	TIME
2007-2008	41st AGM	At H.O. of the Corporation bays No. 17,18 & 19, Sector 17 A, Chandigarh	31.07.2008	11.00 A.M.
2008-2009	42nd AGM	---DO---	30.07.2009	11.00 A.M.
2009-2010	43rd AGM	---DO---	19.01.2011	11.30 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 financial results of the Corporation are being published in the two news papers - "The Indian Express (English Ed.) and Dainik Bhaskar (Hindi Ed.), 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 and other important information are circulated to the members / shareholders. The Annual Reports are being despatched under UPC.

9. General Shareholders information

9.1 Annual General Meetings

- Date and Time 19.01.2012 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, 2011 has been published on 31st August, 2011
- Results for quarter ending Sept, 2011 has been published on 19th November, 2011
- Results for quarter ending Dec, 2011 will be published by 15th February, 2012
- Results for quarter ending Mar, 2012 will be published by 15th May, 2012

9.3 Book Closure date 16th to 19th January, 2012

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

₹ 22.40 on 10.05.2010
₹ 23.50 on July 2010
₹ 24.65 on 26.07.2011

9.8 Share price performance Refer 9.7

9.9 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



9.10 Share Transfer System

M/s Beetal Financial & Computer Services (P) Ltd., New Delhi is the Registrar and Transfer Agent (RTA) of the Corporation and carries out the process of share transfer. 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 as on 31st March, 2011

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	18,18,51,650	96.99%
b SIDBI	1	43,26,550	2.31%
c Banks, Financial Institutions, Insurance Co., Central/State Govt. Institutions/Non Govt. Institutions	9	2,01,700	0.10%
d Others (Shareholders other than those referred to in clause (a), (b), (c) above)	1922	11,18,200	0.60%
TOTAL	1933	18,74,98,100	100%

9.12 Dematerialisation of Shares

The Corporation filed the application with National Stock Depository Ltd. (NSDL) for dematerialisation of its shares but the same has not been dematerialized due to certain measures.

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 the 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 on back of the cover page) for their queries with regard to change of address, transfer of shares or at the following address :

The Compliance Officer

Haryana Financial Corporation

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

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 to set up in State of Haryana.

The Corporation is facing competition from the banks and NBFC who have access to cheap funds. The Corporation could not withstand the competition from these institutions due to operational limitations. The Corporation has taken up matter with SIDBI for restructuring of its debts to reduce the interest cost of the funds. During the year, the Corporation is 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.

The performance of the Corporation is adversely affected in terms of volume of business and profitability in the previous years. The performance of the Corporation with regard to its operational results/financial are given in the directors report.

Partners

P D Sharma

M.A., LL.B. (A), FCS

G S Sarin

B.Com., LL.B., MFC, FCS



SHARMA SARIN & ASSOCIATES

COMPANY SECRETARIES .

OFFICE

SCO 186-188, First Floor, Adj. Ghazal Restaurant,
Sector 17-C, Chandigarh-160017 (Entry Backside)

Telefax : 0172-5012112, 5079239 Tel. 0172-5079110

e-mail : sharmasarinassociate@yahoo.com

sharmasarin@cslaws.com

Website : www.cslaws.com

**CERTIFICATE OF COMPLIANCE OBTAINED FROM PRACTISING COMPANY
SECRETARY AS STIPULATED UNDER CLAUSE 49 OF THE LISTING
AGREEMENT.**

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

TO
THE MEMBERS OF
HARYANA FINANCIAL CORPN.
SECTOR 17,
CHANDIGARH

Dated: 29.07.2011

In accordance with Clause 49 of the Listing Agreement entered into by **HARYANA FINANCIAL CORPORATION** with Mumbai stock Exchange, We have examined all relevant records of the Corporation as stipulated in Clause 49 for the Financial year ended on 31st March, 2011.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification and have been provided with such records, documents, certifications etc as had been required by us.

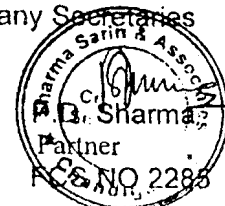
We certify that on the basis of the record produced and the explanations given to us by the Corporation for the purposes of this certificate, has complied with all the requirements of the said Clause 49 of the Listing Agreement.

We state that no Investor Grievance was pending for a period exceeding one month against the Corporation as per the records maintained and produced before us by the Corporation.

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

For Sharma Sarin & Associates
Company Secretaries

Place : Chandigarh
Date : 29th July, 2011



DHILLON & ASSOCIATES

CHARTERED ACCOUNTANTS

QUIET OFFICE NO. 4, SECTOR 35-A, CHANDIGARH

TELEFAX : 0172-2609257, 2602157

E-MAIL : RKM731@YAHOO.CO.IN

Service Tax No. AAAFD 6557F/ST001

AUDITOR'S REPORT

The Members

Haryana Financial Corporation

Chandigarh

In accordance with the provision of section 37(1) of State Financial Corporations Act 1951 (As amended by The State Financial Corporations (Amendment) Act, 2000), we have audited the attached Balance Sheet of Haryana Financial Corporation as at 31st March, 2011 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, 2011 and
 - In case of Profit & Loss Account of the Profit for the year ended on that date.

For Dhillon & Associates
Chartered Accounts



A handwritten signature in black ink, appearing to read "Charanjit Kumar".

Charanjit kumar (F.C.A.)
Partner
Membership No. 099126
Firm Regd. No. 002783N

Place : CHANDIGARH


Dated : 14th September, 2011



HARYANA FINANCIAL CORPORATION, CHANDIGARH
BALANCE SHEET AS ON 31ST MARCH, 2011

As at 31.03.2010 Amount (₹)	<u>CAPITAL & LIABILITIES</u>	SCHEDULE	As at 31.03.2011 Amount (₹)
1,869,981,000	SHARE CAPITAL	A	1,874,981,000
165,253,013	RESERVES AND SURPLUS	B	165,253,013
475,500,000	BONDS AND DEBENTURES	C	343,500,000
1,891,467,520	BORROWINGS	D	1,766,812,153
188,357,440	OTHER LIABILITIES	E	169,196,296
782,096,347	PROVISIONS	F	749,188,534
<u>5,372,655,320</u>	TOTAL		<u>5,068,930,996</u>
	 <u>PROPERTY & ASSETS</u>		
40,490,345	CASH AND BANK BALANCES	G	196,323,372
1,504,621,888	INVESTMENTS	H	1,499,144,180
1,854,932,455	LOANS AND ADVANCES	I	1,452,858,144
150,815,656	FIXED ASSETS	J	145,396,655
119,577,314	OTHER ASSETS	K	126,864,433
308,000,000	DEFERRED TAX ASSET		308,000,000
1,394,217,662	PROFIT AND LOSS ACCOUNTS (ACCUMULATED LOSSES)	L	1,340,344,212
<u>5,372,655,320</u>	TOTAL		<u>5,068,930,996</u>
	NOTES ON ACCOUNTS	S	


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


ASHOK PAHWA
GENERAL MANAGER


RAJEEV ARORA, IAS
MANAGING DIRECTOR

In terms of our separate report of even date attached
For DHILLON & ASSOCIATES
CHARTERED ACCOUNTANTS




Charanjit kumar (F.C.A.)
Partner
Membership No. 099126
Firm Regd. No. 002783N


PLACE : CHANDIGARH
DATED : 14th September, 2011


HARYANA FINANCIAL CORPORATION, CHANDIGARH
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011



For the year ended 31.03.2010 Amount (₹)			For the year ended 31.03.2011 Amount (₹)
	<u>INCOME</u>	SCHEDULE	
151,332,286	INCOME FROM OPERATIONS	M	168,567,529
44,354,895	OTHER INCOME	N	36,844,662
<u>195,687,181</u>	TOTAL INCOME		<u>205,412,191</u>
	<u>EXPENDITURE</u>		
217,616,904	INTEREST EXPENSES	O	66,476,715
57,325	OTHER FINANCIAL EXPENSES	P	20,954
107,993,870	PERSONNEL EXPENSES	Q	102,669,898
20,650,211	ADMINISTRATIVE EXPENSES	R	16,129,817
<u>346,318,310</u>	TOTAL EXPENDITURE		<u>185,297,384</u>
<u>(150,631,129)</u>	OPERATING PROFIT / (LOSS)		<u>20,114,807</u>
64,534,831	ADD : PROVISION AGAINST NPAs WRITTEN BACK		33,754,813
(86,096,298)	PROFIT / (LOSS) BEFORE TAX		53,869,620
0	ADD : REFUND OF FRINGE BENEFIT TAX (FY 2007-08)		3,830
<u>(86,096,298)</u>	NET PROFIT/(LOSS)		<u>53,873,450</u>
	NOTES ON ACCOUNTS	S	

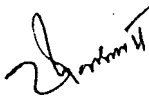
Note : The schedules referred to above form integral part of the Profit & Loss Account


ASHOK PAHWA
 GENERAL MANAGER


RAJEEV ARORA, IAS
 MANAGING DIRECTOR

In terms of our separate report of even date attached
 For DHILLON & ASSOCIATES
 CHARTERED ACCOUNTANTS




Charanjit kumar (F.C.A.)
 Partner
 Membership No. 099126
 Firm Regd. No. 002783N

PLACE : CHANDIGARH
 DATED : 14th September, 2011



SCHEDULE 'A' - SHARE CAPITAL

As at 31.03.2010 Amount (₹)			As at 31.03.2011 Amount (₹)
	<u>AUTHORISED</u>		
<u>3,000,000,000</u>	300,000,000 Equity Shares of ₹10/- each		<u>3,000,000,000</u>
	<u>ISSUED AND SUBSCRIBED</u>		
1,898,625,000	a) 190,905,500 (Previous year 189,862,500) Equity Shares of ₹10/- each issued under section 4 of State Financial Corporations' Act, 1951	1,909,055,000	
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>1,904,891,000</u>			<u>1,915,321,000</u>
	<u>PAID-UP</u>		
1,904,891,000	Issued & Subscribed	1,915,321,000	
40,340,000	Less : Amount Forfeited - 4,034,000 shares of ₹10/- each	40,340,000	
<u>1,864,551,000</u>	Balance 187,498,100 (Previous year 186,455,100) shares of ₹10/- each	<u>1,874,981,000</u>	
1,858,285,000	a) 186,871,500 (Previous year 185,828,500) Equity Shares of ₹10/- each under section 4 of State Financial Corporation' Act, 1951 fully paid up.	1,868,715,000	
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	
5,430,000	c) Share Application Money		
<u>1,869,981,000</u>	TOTAL		<u>1,874,981,000</u>

SCHEDULE 'B' - RESERVES AND SURPLUS

As at 31.03.2010 Amount (₹)			As at 31.03.2011 Amount (₹)
178,567,013	a) Special Reserve for the purpose of Section 36(1)(viii) of the Income Tax Act. 1961		
<u>166,800,000</u>	Balance as per the last Balance Sheet	178,567,013	
11,767,013	Less : Utilised towards provisioning for NPA upto Previous year	<u>166,800,000</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
<u>22,976,000</u>	d) Shares forfeiture Reserve		<u>22,976,000</u>
<u>165,253,013</u>	TOTAL		<u>165,253,013</u>



SCHEDULE 'C' - BONDS AND DEBENTURES

As at 31.03.2010
Amount (₹)

As at 31.03.2011
Amount (₹)

BONDS - SLR

a) GUARANTEED BY THE STATE GOVERNMENT UNDER SECTION 7(1)
OF STATE FINANCIAL CORPORATIONS' ACT, 1951

20,500,000	11.50% Bonds 2010 of ₹100 Each --37th Series	0	
17,250,000	11.50% Bonds 2010 of ₹100 Each --38th Series	0	
4,250,000	11.50% Bonds 2011 of ₹100 Each --39th Series	0	
16,000,000	11.50% Bonds 2011 of ₹100 Each --40th Series	16,000,000	
9,000,000	12.00% Bonds 2012 of ₹100 Each --41st Series	<u>9,000,000</u>	25,000,000

b) GUARANTEE FROM THE STATE GOVERNMENT UNDER SECTION 7(1)
OF STATE FINANCIAL CORPORATIONS' ACT, 1951 YET TO BE RECEIVED.

10,000,000	11.33% Bonds 2010 of ₹100 Each --58th Series	0	
60,000,000	10.82% Bonds 2011 of ₹100 Each --59th Series	0	
20,000,000	10.50% Bonds 2011 of ₹100 Each --60th Series	0	
50,000,000	09.90% Bonds 2011 of ₹100 Each --61st Series	50,000,000	
11,000,000	08.35% Bonds 2011 of ₹100 Each --62nd Series	11,000,000	
72,500,000	08.30% Bonds 2012 of ₹100 Each --63rd Series	72,500,000	
35,000,000	08.00% Bonds 2012 of ₹100 Each --64th Series	35,000,000	
67,500,000	07.92% Bonds 2012 of ₹100 Each --65th Series	67,500,000	
2,500,000	06.50% Bonds 2013 of ₹100 Each --66th Series	2,500,000	
<u>80,000,000</u>	06.75% Bonds 2013 of ₹100 Each --67th Series	<u>80,000,000</u>	318,500,000
<u>475,500,000</u>	TOTAL		<u>343,500,000</u>

SCHEDULE 'D' - BORROWINGS

As at 31.03.2010
Amount (₹)

As at 31.03.2011
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 :

	i) Guaranteed by State Government		
1,173,433,514	- Refinance under LOC and TUF scheme	1,050,000,000	
	(Against this State Govt. guarantee is only for ₹105 crore)		
	ii) Not Guaranteed by State Government		
712,761,745	- Refinance under LOC and TUF scheme	711,829,300	
5,272,261	- Refinance under Seed Capital, MUN,NEF scheme	4,982,853	1,766,812,153
<u>1,891,467,520</u>	TOTAL		<u>1,766,812,153</u>



SCHEDULE 'F' - PROVISIONS

As At 31.03.2010 Amount (₹)		As At 31.03.2011 Amount (₹)
488,120,000	i) Provision for Non-performing Loan Assets :	
60,905,000	Upto previous year	427,215,000
	Less : Excess provision provided in earlier years written back	<u>28,789,000</u>
139,630,771	ii) Provision for non-performing leasing assets	398,426,000
166,800,000	iii) Adjusted out of Special Reserve u/s 36(i)(viii) of Income Tax Act, 1961	139,630,771
	iv) Provision for diminution in value of Investments :	
51,678,407	Upto previous year	48,450,576
3,227,831	Less : Excess provision provided in earlier years written back	<u>4,118,813</u>
<u>782,096,347</u>	TOTAL	<u>44,331,763</u> <u>749,188,534</u>

SCHEDULE 'G' - CASH AND BANK BALANCES

As At 31.03.2010 Amount (₹)		As At 31.03.2011 Amount (₹)
525,975	CASH IN HAND	
214	i) Corporation Funds	427,893
	ii) Agency Funds & Seed Money	<u>214</u>
	BALANCE WITH SCHEDULED BANKS	428,107
39,959,455	i) In Current Accounts	
4,701	a) Corporation Funds	(13,110,183)
0	b) Agency Funds	<u>5,448</u>
<u>40,490,345</u>	ii) In Fixed/Short Term Deposits	(13,104,735)
	TOTAL	<u>209,000,000</u> <u>196,323,372</u>

SCHEDULE 'H' - INVESTMENTS

As At 31.03.2010 Amount (₹)	Investments (As per annexure to Schedule 'H')	As At 31.03.2011 Amount (₹)
1,450,000,000	i) Held till maturity - Unquoted	1,450,000,000
39,916,968	ii) Available for sale	
14,704,920	a) Quoted	34,439,260
<u>1,504,621,888</u>	b) Unquoted	<u>14,704,920</u>
	TOTAL	<u>49,144,180</u> <u>1,499,144,180</u>

SCHEDULE 'I' - LOANS AND ADVANCES

As At 31.03.2010 Amount (₹)		As At 31.03.2011 Amount (₹)
1,761,561,982	Loans & advances (as per annexure to Schedule 'I')	1,347,750,192
985,384	Interest accrued and due	12,946,574
3,275,000	Adhoc Limit - Boughtout Deals	<u>3,275,000</u>
1,765,822,366	Soft loan - NEF, MUN & SEMFEX	1,363,971,766
4,488,627		<u>4,264,916</u>
1,770,310,993	Loans for Leasing Equipments (Advance)	57,148,124
57,148,124	Vehicle Sub-Leasing	<u>27,473,338</u>
27,473,338	TOTAL	<u>1,452,858,144</u>
<u>1,854,932,455</u>		



SCHEDULE 'J' - FIXED ASSETS

i) CORPORATION'S ASSETS

(Amount in ₹)

Sr. No.	PARTICULARS	WDV AS ON	ADDITIONS		SOLD/ TRNSFRD DURING THE YEAR	VALUE	RATE OF DEP. %AGE	TOTAL DEP. DURING THE YEAR	WDV AS ON
		01.04.2010	UPTO 30.09.2010	AFTER 30.09.2010					31.03.2011
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
A) LAND & BUILDING									
	1. Land	18202591	0	0	0	18202591	0	0	18202591
	2. Building -Office	44750956	0	1367920	0	46118876	10	4543491	41575385
	-Residential	26413207	0	0	0	26413207	5	1320660	25092547
	TOTAL	89366754	0	1367920	0	90734674		5864151	84870523
B) FURNITURE & FITTINGS									
	1. Furniture	1139502	0	0	0	1139502	10	113951	1025551
	2. Safes, Cabinets & Padlocks	349003	0	0	0	349003	10	34901	314102
	3. Misc.	223185	0	0	0	223185	10	22319	200866
	4. Electric Fittings	1520502	15700	4350	0	1540552	10	153838	1386714
	TOTAL	3232192	15700	4350	0	3252242		325009	2927233
C) PLANT & MACHINERY									
	1. Computers	323358	0	0	0	323358	60	194012	129346
	2. Typewriters, Duplicators etc.	6223	0	0	0	6223	15	933	5290
	3. Staff Cars & Jeep	2324969	0	0	58500	2266469	15	339970	1926499
	4. Bicycles	12140	0	0	0	12140	15	1822	10318
	TOTAL	2666690	0	0	58500	2608190		536737	2071453
	Grand Total - (A+B+C)	95265636	15700	1372270	58500	96595106		6725897	89869209
D) CAPITAL WORK IN PROGRESS									
	1. Computer Software	511743	0	0	0	511743	0	0	511743

ii) LEASING ASSETS

Particulars	WDV of Equipments leased as on 01.04.10	Additions During the Year	Sale/ Adjustment	Value as on 31.03.2011	Lease Rentals Received During the Year	Interest out of Rentals Received	Principal out of rentals Charged to Depreciation	WDV of Equipments leased as on 31.03.2011
E) LEASING ASSETS	55038277	0	5761	55032516	18715	1902	16813	55015703

Total Depreciation : 6,742,710

Total WDV (A+B+C+D+E) : 145,396,655



SCHEDULE 'K' - OTHER ASSETS

As at 31.03.2010 Amount (₹)		As at 31.03.2011 Amount (₹)
17,119,633	Staff loans	14,502,500
459,410	Advances against Expenses	747,973
	Tax deducted at source :	
859,950	Financial year 2008-09	0
781,770	Financial year 2009-10	781,770
0	Financial year 2010-11	<u>1,820,206</u>
53,000	Fringe benefit tax	2,601,976
123,027	Security Deposits	53,000
1,047,938	Advance for purchase of plot	123,027
122,147	Advance to HSIIDC for Head Office Building	1,047,938
12,278,983	Claims recoverable	122,147
	Interest Accrued but not due :	12,248,625
28,499,310	On Loans and advances	30,381,738
12,672,780	On staff advances and deposits	<u>15,778,721</u>
0	Rent due but not received	46,160,459
16,556,484	Dividend Paid - Adjustable against Subvention from State Govt.	1,311,000
	State Government loans (As an Agency) :	16,556,484
594,661	i) Agency Loans	594,661
27,877,657	ii) Seed Money Agency	30,248,057
530,564	iii) Seed Money (RIS)	<u>546,586</u>
<u>119,577,314</u>	TOTAL	<u>126,864,433</u>

SCHEDULE 'L' - PROFIT AND LOSS ACCOUNTS (ACCUMULATED LOSSES)

As at 31.03.2010 Amount (₹)		As at 31.03.2011 Amount (₹)
1,308,121,364	Accumulated loss as per last Balance Sheet	1,394,217,662
86,096,298	Add : Net loss for the year	0
<u>1,394,217,662</u>		<u>1,394,217,662</u>
0	Less : Net profit for the year	53,873,450
<u>1,394,217,662</u>	TOTAL	<u>1,340,344,212</u>

SCHEDULE 'M' - INCOME FROM OPERATIONS

For the year ended As at 31.03.2010 Amount (₹)		For the year ended As at 31.03.2011 Amount (₹)
148,812,930	Interest Income on :	
31,412	Loans & Advances	166,775,832
	Leasing Equipment Advances	<u>503,000</u>
204,221	Profit on Sale of Shares	167,278,832
266,000	Dividend on Investments	854,422
2,017,723	Upfront Fee/Processing Fee	266,000
<u>151,332,286</u>	TOTAL	<u>168,275</u>
		<u>168,567,529</u>



For the year ended
As at 31.03.2010

Amount (₹)

311,720
0
4,173,542
7,367,129
17,826,903
70,938
14,592,223
12,440
0

44,354,895

SCHEDULE 'N' - OTHER INCOME

For the year ended
As at 31.03.2011

Amount (₹)

Miscellaneous Income		566,523
Interest Income on :		
Income Tax	90,290	
Staff Advances	(230,921)	
Deposits with Banks	<u>11,187,083</u>	11,046,452
Amount received out of bad debts written off		9,635,122
Vehicle Lease Rental - Staff Members		18,715
Rent Recovered		15,577,608
Profit on Sale of Assets		0
Prior period excess provision written back- Wealth Tax		242
TOTAL		<u><u>36,844,662</u></u>

SCHEDULE 'O' - INTEREST EXPENSES ON BONDS & BORROWINGS

For the year ended
As at 31.03.2010

44,035,934
171,476,949
767,267
1,312,183
24,571
0

217,616,904

For the year ended
As at 31.03.2011

Interest on Bonds	38,637,120
Interest on Refinance	27,755,744
Interest on Deposits/Earnest Money	73,765
Interest on limit against Fixed Deposits with Banks	9,902
Interest on purchase of plot	0
Interest on Service Tax	184
TOTAL	<u><u>66,476,715</u></u>

SCHEDULE 'P' - OTHER FINANCIAL EXPENSES

For the year ended
31.03.2010

27,325
30,000
57,325

Bank Charges	20,954
Stock Exchange Fee	0
TOTAL	<u><u>20,954</u></u>

For the year ended
31.03.2011

SCHEDULE 'Q' - PERSONNEL EXPENSES

For the year ended
31.03.2010

1,244,604
73,071,802
7,553,737
6,786,504
14,749,052
2,166,642
69,502
279,625
0
999,036
37,322
287,236
748,808
107,993,870

Salaries & Allowances :		
a) Managing Director	110,613	
b) Other Staff	<u>82,319,532</u>	82,430,145
Contribution to Staff Provident Fund		8,298,443
Gratuity Premium		(1,591,486)
Leave Salary		7,641,711
Medical Expenses		3,012,653
Training & Participation Fees		54,000
Staff Welfare		352,102
Uniforms		182,011
Compassionate Assitance		1,274,681
Pension		0
EDLI Premium		251,489
Administrative Expenses on Provident Fund		764,149
TOTAL		<u><u>102,669,898</u></u>



SCHEDULE 'R' - ADMINISTRATIVE EXPENSES

For the year ended
31.03.2010
Amount (₹)

For the year ended
31.03.2011
Amount (₹)

	Travelling and other Expenses :		
37,242	a) Managing Director	0	
3,357,093	b) Others	1,219,589	
68,188	c) Directors & Committee Members	47,213	1,266,802
9,500	Directors & Committee Members' Fees		3,500
2,922	Director's Meeting Expenses		10,202
3,374,430	Rent, Taxes, Insurance, Electricity etc.		2,747,904
1,153,565	Postage, Telegram & Telephone		786,928
821,274	Printing & Stationary		473,843
100,905	Computer Expenses		64,614
172,861	Publicity & Business Promotion		619,640
7,629,213	Depreciation		6,742,710
539,361	Repairs and Renewals-Office Equipments		552,801
754,917	Repairs and Maintenance-Staff cars		475,967
1,070,058	Legal Charges		1,334,725
76,766	Books & News Papers		49,059
24,357	Loss on Sale of Assets		0
218,988	Repairs & Renewals - Residential Building		219,190
556,445	Professional Charges		294,765
44,120	Audit Fee		44,120
268,118	Entertainment		132,009
133,534	Wealth Tax		133,000
155,500	Others - Misc. Expenses		120,751
80,854	Shifting Charges		57,287
<u>20,650,211</u>	TOTAL		<u>16,129,817</u>



SCHEDULE - 'S'

Notes on Accounts

1 Significant Accounting Policies

- a) 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.
- b) The amount received from the borrowers against loans and advances is appropriated in the following orders :
- Miscellaneous Expenses.
 - Interest.
 - Principal.
- c) In cases, where the Corporation sells borrower's assets on deferred payment basis, respective borrowers' loan accounts are credited by the full amount of the sale proceeds. 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.
- d) **Retirement Benefits**
- Provision for Gratuity amounting to ₹2.26 crore being the shortfall amount as per actuarial valuation of Life Insurance Corporation of India (LIC) and ₹4.79 crore being the amount of Leave Encashment payable to staff have been made in the books of accounts.
 - 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.
- e) **Asset Classification and Provisioning**

- i) Loans and Advances have been categorised and provisioning has been made their against as per guidelines received from SIDBI which are as under :

<u>Category</u>	<u>Age of Default for Principal and/or Interest (in months)</u>	<u>Provisioning on Loans Outstanding (%age)</u>
Standard	0 - 3	0.25
Sub-standard	Above 3- 15	10.00
Doubtful-I	Above 15-27	20.00
Doubtful-II	Above 27-51	30.00
Doubtful-III	Above 51	100.00
Loss	No security available	100.00

- 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 the latest balance sheet. 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 (except Employees 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 31.03.2011 has been made. Since lease rentals in the case of Employees Vehicle Leasing are being recovered on due dates, hence no provisioning has been made against the same. 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.



f) **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.

2. **Contingent liabilities**

- i) Liability in respect of units disposed off but in dispute - amount indeterminate.
 - ii) The contingent liabilities in respect of claims lodged against the Corporation by ex-employees/pensioners and other claims (17 cases) are to the extent of ₹6.22 crore (approx.) not acknowledged. In addition to above there are 24 court cases/appeals filed by the employees/ex-employees against which amount is indeterminate.
 - iii) State Govt. guarantee in respect of 61st to 67th series of SLR Bonds issued by Corporation during the period from 28.06.2001 to 24.03.2003, is awaited. As on 31.03.2011, a sum of ₹31.85 crore is outstanding against these bonds. The guarantee fee is leviable in respect of 62nd to 67th Series of SLR Bonds issued by the Corporation against which ₹ 26.85 crores is outstanding as on 31.03.2011. The Corporation has already made request to the State Government to waive off the guarantee fee on the guarantee to be provided against these bonds and the matter is under consideration of the State Govt. The liability, if the State Government declines the request of the Corporation for waiver of guarantee fee against these bonds will be to the tune of ₹53.70 lacs.
 - (iv) 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 lacs 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 3 below, the provision of accrued interest w.e.f. 01.06.2010 onwards (₹1357 lakh approx.) has not been made during the current financial year.
 - (v) A demand of ₹2.69 crore (approx.) has been raised by the Income Tax Department for the FYs 1980-81, 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.
 - (vi) Sale Tax assessments for the financial years 2004-05, 2005-06, 2006-07 & 2007-08 has been completed by the Assessing Authority, Panchkula & sales tax/VAT liability for these financial years has been assessed at ₹119.41 lacs. As the Corporation has filed appeals with higher authority so the above liability of ₹119.41 lacs has not been provided in the accounts against these orders.
3. 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, including the State Govt. Guarantee. Keeping in view the above OTS, no provision of accrued interest w.e.f. 01.06.2010 onwards (₹13.57 crore approx.) has been made during the current financial year. The effect of principal waiver (₹51.68 crore) has not been given in the books of account in the current year and the effect of waiver shall be made in the year of final payment as per OTS, as the waiver is linked with the payment of OTS amount to be paid within a period of three years.
4. 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 'K' - 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.



5. 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 31.03.2011 as per the provisioning norms of SIDBI.
6. The Corporation advanced loans 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 31.03.2011 which has been shown under the head "Loans for Leasing Equipments (Advance)" in Schedule - 'I' - 'Loans and Advances'. The Corporation has already initiated necessary action for recovery of this amount.
7. 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 :

<u>Assets Classification</u>	<u>Current Year</u>		<u>Previous Year</u>	
	<u>Loan</u>	<u>Provision</u>	<u>Loan</u>	<u>Provision</u>
	Standard Assets	73.72	0.18	107.59
Sub Standard Assets	4.99	0.50	9.76	0.98
Doubtful Assets	43.69	43.33	52.00	51.29
Loss Assets	12.70	12.70	7.13	7.13
	<u>135.10</u>	<u>56.71</u>	<u>176.48</u>	<u>59.67</u>

(₹ in Crore)

Provision on Leasing Portfolio (except in respect of Employees Vehicle Lease Finance amounting to ₹ 0.06 lacs) has been provided at 100 percent of the portfolio. No additional provision has been made during the year, as the provision of ₹13.96 crore has already been provided upto 31.03.10.

<u>Leasing Portfolio</u>	<u>Current Year</u>		<u>Previous Year</u>	
	<u>Amount</u>	<u>Provision</u>	<u>Amount</u>	<u>Provision</u>
	Loan for Leasing Equipments (Advance)	5.71	5.71	5.71
Vehicle Sub Leasing	2.75	2.75	2.75	2.75
Equipment Leasing	4.99	4.99	4.99	4.99
Vehicle Leasing	0.51	0.51	0.51	0.51
	<u>13.96</u>	<u>13.96</u>	<u>13.96</u>	<u>13.96</u>

(₹ in Crore)

8. As per guidelines issued by SIDBI, provision towards diminution in the value of investments of ₹3.07 crore in respect of listed shares and ₹1.36 crore in respect of unlisted shares, totalling to ₹4.43 crore is required to be made upto 31.03.2011 against which the Corporation has already made provision of ₹4.84 crore upto 31.03.2010. Therefore, excess provision of ₹0.41 crore has been written back during the year which has been shown in Schedule 'F' - Provisions.
9. i) Amount of ₹4,15,75,385/- shown as Building-Office under Schedule 'J'- 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. Though the physical possession of the same is with Corporation, but title documents in this regard are yet to be executed in favour of the Corporation.
- ii) A sum of ₹10,47,938 as Advance for purchase of plot shown in Schedule 'K'-Other Assets is the amount paid to HSIIDC for purchase of plot at Manesar, Gurgaon. The allotment of the plot was made by HSIIDC but the same was not accepted by the Corporation. The Corporation has requested for the refund and the same has been received in the next financial year i.e. 2011-12.
10. The Leasing Assets under Schedule 'J' - 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.
11. 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 'E' - 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 'K' - 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 Govt. These are outstanding since long and are subject to confirmation by the State Government.

12. During the financial year 2010 - 11, amount of interest on staff advances in schedule 'N' - Other Income is ₹(2,30,921/-) has been shown net off after considering the excess amount of provision of accrued interest on staff advances of ₹20,46,045/- shown upto the Financial Year 2009-10. The actual income on staff advances for the current financial year comes to ₹18,15,124/- (₹20,46,045 - ₹2,30,921).
13. On the basis of timing difference in depreciation, carry forward business loss/unabsorbed depreciation and long term capital loss as on 31.03.2011, provision for deferred tax assets amounting to ₹ 6.00 crore has not been increased in the book during the year. This is due to the reason that the Corporation decided to stop fresh business activities and a consultant has been appointed to study the pros and cons of merger/winding up of the Corporation and their report is under consideration.
14. Disclosure requirements for SFCs in compliance of SIDBI's guidelines :

A CAPITAL		F.Y. 2010-11 (₹ in Lacs)	
a)	CRAR %		10.87%
b)	The amount of subordinated debt raised and outstanding as Tier - II capital		---
c)	Risk Weighted Assets		
	1. On Balance Sheet items		36971.92
	2. Off Balance Sheet		---
d)	The Share holding pattern as on the date of the Balance Sheet	<u>Amount</u>	<u>% age</u>
	1. Govt. of Haryana	18185.17	96.98
	2. SIDBI	432.65	2.31
	3. Commercial Banks, Insurance Cos. etc.	20.17	0.11
	4. Private Shareholders	111.82	0.60
	TOTAL	<u>18749.81</u>	<u>100.00</u>
B ASSET QUALITY AND CREDIT CONCENTRATION			
e)	% age of net NPAs to Net loans and advances		6.20%
f)	Amount and %age of Net NPAs under the prescribed asset classification categories	<u>Amount</u>	<u>% age</u>
	1. Sub Standard Assets	448.75	5.73
	2. Doubtful	36.95	0.47
	TOTAL :	<u>485.70</u>	<u>6.20</u>
g)	Amount of provision made during the year		
	1. Provision for standard Assets		-8.47
	2. Provision for NPAs		- 287.89
	3. Provision for Investments		- 41.19
	TOTAL		<u>- 337.55</u>
h)	Movement in Net NPA		
	1. Sub Standard Assets		-429.96
	2. Doubtful Assets		- 33.53



(₹ in Lacs)

i) Credit Exposure as percentage to Capital Funds and percentage to Total Assets

Particulars	Principal	To Total Capital Funds	To Total Assets
Largest single borrower	576.00	1.39%	1.68%
Largest borrower group	522.94	1.26%	1.53%
The 10 Largest single borrowers	2695.43	6.49%	7.88%
The 10 Largest borrower groups	2058.10	4.96%	6.02%

j) Credit exposure to five largest industrial sectors as % to total loan assets 6411.77 47.31%

C LIQUIDITY

k) Maturity pattern of Rupee assets and liabilities and

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

(₹ in Lacs)

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	4482.70	3602.93	1596.65	6988.31	13.48	17521.79	34205.86
Foreign Currency Assets			-----NIL-----				
TOTAL	4482.70	3602.93	1596.65	6988.31	13.48	17521.79	34205.86
Rupee Liabilities	6377.71	10247.00	80.00	80.00	120.00	21106.16	38010.87
Foreign Currency Liabilities			-----NIL-----				
TOTAL	6377.71	10247.00	80.00	80.00	120.00	21106.16	38010.87



D OPERATING RESULTS

m)	Interest income as a percentage to average working funds	5.03%
n)	Non-interest income as a percentage to average working funds	0.76%
o)	Net Profit/(Loss) as a percentage to Average Working Funds	1.52%
p)	Net Profit/(Loss) per employee	₹ 2.65 lakh

E EARNING PER SHARE

(Amount in ₹)

a)	Profit after Tax	5,38,73,450
	Profit attributable to ordinary Share Holders	5,38,73,450

b)	Weighted Average of Common Stock	No.	Period Outstanding (days)	Weighted Average
	Shares outstanding as on 31.3.2011	187498100	365	187124127

EARNING PER SHARE (a/b) ₹ 0.29


F Disclosure requirements under the RBI guidelines dated

7th July,1999 on forward rate agreements under Interest Rate Swaps

NIL

15. 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.


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


ASHOK PAHWA
GENERAL MANAGER


RAJEEV ARORA, IAS
MANAGING DIRECTOR

In terms of our separate report of even date attached
For DHILLON & ASSOCIATES
CHARTERED ACCOUNTANTS




Charanjit kumar (F.C.A.)
Partner
Membership No. 099126
Firm Regd. No. 002783N

PLACE : CHANDIGARH

DATED : 14th September, 2011



ANNEXURE TO SCHEDULE - 'H'

STATEMENT SHOWING PARTICULARS OF INVESTMENTS IN SHARES AS ON 31st March, 2011

S.No.	Name of the Company	Face value	Cost per Share	Value per Share as on 31.3.2011	No. of Shares	Cost as on 31.3.2011	Value as on 31.03.2011
(Amount in ₹)							
I)	HELD TO MATURITY						
1.)	HARYANA POWER GENERATION CORP. LTD.	1000.00	1000.00	1000.00	1450000	1450000000	1450000000
II)	AVAILABLE FOR SALE						
A	<u>LISTED : ORDINARY - FULLY PAID UP</u>						
1.	GLOBAL INDS. LTD., GGN	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., PPT	10.00	10.00		250000	2500000	1
4.	INDO BRITAIN AGRO FARMS LTD.	10.00	10.00		180300	1803000	1
5.	ARAVALI PIPES LTD., HSR	10.00	15.00		205000	3075000	1
6.	DOON VALLEY RICE MILLS, KNL	10.00	30.00		100000	3000000	1
7.	PAM RAFFIA LTD., PKL.	10.00	10.00		10406	104060	1
8.	SWET CHEMANTIBIOTIC LTD., KNL	10.00	10.00		44800	448000	1
9.	GRM OVERSEAS LTD., PNP.	10.00	20.00	30.00	125000	2500000	*3750000
10.	M/S KLA BIOTECH INDS. LTD. (Formerly RCC CEMENT LTD., Gurgaon)	10.00	10.00		150000	1500000	1
11.	UMA FABRICS LTD., GGN	10.00	10.00		350000	3500000	1
12.	SHIVA SUITEX LTD., GGN.	10.00	10.00		500000	5000000	1
13.	BHARAT POLYFAB LTD., REWARI	10.00	12.50		500000	6250000	1
					<u>2862106</u>	<u>34439260</u>	<u>3750012</u>
B.	<u>UNLISTED : ORDINARY - FULLY PAID UP</u>						
1.	INA POLYSTER BUTTON LTD., FBD.	10.00	10.00	0.00	200000	2000000	1
2.	APEX MULTITECH LTD., PKL.	10.00	10.00	0.00	200000	2000000	1
3.	NITIKACEMENTS LTD., PKL.	10.00	14.00	0.00	214280	2999920	1
4.	INA POLYSTER BUTTONS LTD.,	10.00	10.00	0.00	200000	2000000	1
5.	APEX MULTITECH LTD., PKL	10.00	15.00	0.00	375000	5625000	1
6.	HARDICON	100.00	100.00	1328.00	800	80000	**1062400
					<u>1190080</u>	<u>14704920</u>	<u>1062405</u>
III)	HELD FOR TRADING					NIL	
	GRAND TOTAL (I + II + III)				<u>5502186</u>	<u>1499144180</u>	<u>1454812417</u>
					COST	1499144180	
					VALUE	1454812417	
					DIMINUTION	44331763	

Note : (*) Value of the shares as on 31st March, 2011.

(**) Value of share has been determined on the basis of balance sheet as on 31st March, 2011.



ANNEXURE TO SCHEDULE - 'I'


DETAILS OF LOANS AND ADVANCES - AS ON 31.03.2011

(₹ in Thousands)

I. PARTICULARS OF LOANS & ADVANCES			
1.	Debts considered good in respect of which the Corporation is fully secured :-		
	(i) Standard Assets	737,230	
	(ii) Sub Standard Assets	49,861	787,091
2.	Debts previously fully secured		
	(i) Doubtful Assets	433,659	
	(ii) Loss Assets	127,001	560,660
	Soft Loans - SIDBI		1,347,751
			4,264
			<u>1,352,015</u>
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		715,330
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).		1,579,008
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.)		28,091,312
v)	Debts guaranteed by the State Govt.		203,565
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 ₹ 556,965 thousands		560,660
II THE CLASSIFICATION OF LOANS AND ADVANCES ACCORDING TO THE SIZE OF THE INDUSTRIAL UNITS			
i)	Debts due from small scale industrial concerns		1,183,566
ii)	Debts due from concerns other than those included under (i) above		168,449
			<u>1,352,015</u>
III THE CLASSIFICATION OF LOANS & ADVANCES ACCORDING TO THE CONSTITUTION OF THE INDUSTRIAL UNITS.			
a)	Proprietorship		333,196
b)	Partnership		186,674
c)	Private Limited Companies		646,880
d)	Public Limited Companies		185,265
			<u>1,352,015</u>

HARYANA FINANCIAL CORPORATION, CHANDIGARH
CASH FLOW STATEMENT FOR THE PERIOD FROM 01.04.10 TO 31.03.11

<u>USES</u>	Amount (₹ in lacs)
1. DISBURSEMENTS OF LOANS	321.58
2. REPAYMENTS	
REFINANCE - SIDBI LOC/NRS	1318.66
REFINANCE - SIDBI NEF/MUN/SEMFEX	2.89
SLR BONDS	1320.00
	2641.55
3. INTEREST PAYMENTS ON	
REFINANCE/LOC-SIDBI	435.35
SLR BONDS	413.24
OTHERS	0.74
	849.33
4. SALARY & WAGES	1033.51
5. ADMINISTRATIVE & OTHER EXPENSES	90.80
6. CAPITAL EXPENDITURE	13.25
7. OTHER CASH OUTGOINGS	33.01
8. CLOSING CASH AND BANKS BALANCES	1963.24
	6946.27
TOTAL	
<u>SOURCES</u>	
1. OPENING CASH AND BANK BALANCES	404.90
2. INCREASE IN SHARE CAPITAL	50.00
3. BORROWINGS : REFINANCE/LOC FROM SIDBI	75.00
4. RECOVERY OF PRINCIPAL	
TERM LOANS	4475.83
DISINVESTMENT OF EQUITY	54.78
	4530.61
5. INTEREST RECEIPTS	
TERM LOANS	1529.31
LEASING ADVANCES	5.03
OTHER INTEREST (STAFF ADV. + STD)	79.41
	1613.75
6. LEASE RENTALS	0.91
7. MISC INCOME :	
DIVIDEND ON INVESTMENTS	2.66
RENT RECEIVED	142.66
PROFIT ON DISINVESTMENTS	8.54
LOAN PROCESSING FEE & MISC.	7.35
RECOVERY OUT OF BAD DEBTS	96.35
	257.56
8. OTHER CASH INFLOWS	14.26
	6946.27
TOTAL	


ASHOK PAHWA
GENERAL MANAGER




RAJEEV ARORA, 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 **44th Annual General Meeting** of the Haryana Financial Corporation to be held in Chandigarh at **11.30 a.m. on 19th January, 2012** 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 as for nomination/election as a director at the forthcoming **44th 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 19th January, 2012** 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 (Nominee)

Declaration signed before me
the candidate nominating
(Attestation to be done by 1st Class Magistrate/Registrar
Sub Registrar of Assurances
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 **44th 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 19th January, 2012** or at any adjournment thereof.

Dated this _____ day of _____ 2012.

Affix ₹ 1/-
Revenue Stamp

Signature of Shareholder(s)

Specimen Signature of Proxy holder(s)

Folio No. _____

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 **44th 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 19th January, 2012** 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 ATTENDENCE/IDENTIFICATION AND FOR DETERMINING THE VOTING RIGHTS OF
SHAREHOLDERS (FOR 44th AGM 2010-2011)**

(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)



U.P.C. / BOOK - POST

To,

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