

# **HYBRID FINANCIAL SERVICES**

**HYBRID FINANCIAL SERVICES LIMITED**  
(FORMERLY KNOWN AS MAFATLAL FINANCE COMPANY LIMITED)

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## **HYBRID** **FINANCIAL** **SERVICES**

### **BOARD OF DIRECTORS**

SHRI.JAYESH R.TALPADE	<i>Director</i>
SHRI.N.R.DIVATE	<i>Wholetime Director</i>
SHRI.K.CHANDRAMOULI	<i>Wholetime Director and Company Secretary</i>
SHRI. TANVEER SHAIKH	<i>Director</i>
SHRI. L. JAYARAMAN	<i>Director (Nominee of Debenture Trustee)</i>

### **MANAGEMENT TEAM**

SHRI.N.R.DIVATE	<i>Wholetime Director</i>
SHRI. K. CHANDRAMOULI	<i>Wholetime Director and Company Secretary</i>

### **AUDITORS**

S. RAMANAND AIYAR & CO  
Chartered Accountants  
Mumbai

### **REGISTERED OFFICE**

35, A-Wing, Raj Industrial Complex  
Premises Co-operative Society Limited,  
Military Road, Marol,  
Andheri (East), Mumbai-400 059

### **REGISTRARS & SHARE TRANSFER**

#### **AGENTS**

BIGSHARE SERVICES PRIVATE LIMITED  
E-2, Ansa Industrial Estate,  
Saki Vihar Road, Sakinaka,  
Andheri (East), Mumbai – 400 072.

## **MAXIMUS** **SECURITIES**

### **BOARD OF DIRECTORS**

SHRI. N.R. DIVATE	<i>Director</i>
SHRI. JAYESH R. TALPADE	<i>Director</i>
SMT. MEGHA J. VAZKAR	<i>Wholetime Director</i>
SHRI. K. SURYANARAYANAN	<i>Wholetime Director</i>

### **AUDITORS**

S. RAMANAND AIYAR & CO  
Chartered Accountants  
Mumbai

### **REGISTERED OFFICE**

First Floor, Sterling Centre,  
Opp. Divine Child High School,  
Andheri-Kurla Road, Andheri (East),  
Mumbai – 400 093.

## Annual Report 2013-2014

### NOTICE

Notice is hereby given that the TWENTY SEVENTH ANNUAL GENERAL MEETING of the Members of HYBRID FINANCIAL SERVICES LIMITED (FORMERLY KNOWN AS MAFATLAL FINANCE COMPANY LIMITED) will be held at All India Plastics Manufacturer's Association, AIPMA House, A-52, Road No.1, M.I.D.C. Andheri (East), Mumbai – 400 093 on Friday, 18<sup>th</sup> July 2014 at 11 am to transact the following BUSINESS:

#### ORDINARY BUSINESS:

1. To consider and adopt the Audited Statement of Profit and Loss, Cash Flow Statement of the Company for the year ended 31<sup>st</sup> March, 2014 and the Balance Sheet as at that date and the Reports of Directors and the Auditors thereon.
2. To reappoint Mr. Jayesh Ramesh Talpade as Director who retires at the ensuing Annual General Meeting, eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

By Order of the Board  
For HYBRID FINANCIAL SERVICES LIMITED

K.CHANDRAMOULI  
Wholetime Director

#### NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER.
- b) The proxy form duly completed and signed by the shareholder should be deposited at the registered office of the company atleast 48 hours before the commencement of the meeting.
- c) The E-voting required as per the provisions of New Companies Act, 2013 is not possible for this 27<sup>th</sup> Annual General Meeting as the Company's ISIN remains suspended and the new ISIN subsequent to Name Change and Reduction of Capital, is not yet allotted.
- d) The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, 14<sup>th</sup> July 2014 to Friday, 18<sup>th</sup> July 2014 (both days inclusive).
- e) Members are requested to notify any change in their address to the Company's Registrars & Share Transfer Agents, M/s. Big Share Services Pvt. Ltd., E-2 Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai - 400 072, quoting their folio nos. immediately, so as to ensure that all communications / reports reach the Members promptly.
- f) Shareholders seeking any information with regard to the Accounts of the Company are requested to write to the Company at an early date so as to enable the Management to keep the information ready.

#### Registered Office:

35, A-Wing, Raj Industrial Complex Premises  
Co-operative Society Limited,  
Military Road, Marol,  
Andheri (East), Mumbai-400 059

Date: 22nd May 2014

### ANNEXURE TO THE NOTICE

NOTES ON DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT ENTERED INTO WITH STOCK EXCHANGES.

#### PROFILE OF DIRECTOR BEING RE-APPOINTED

Name	:	Mr.Jayesh Ramesh Talpade
Age	:	58 Years
Qualifications	:	BE. MMS.
Experience	:	Over Twenty Four Years in the field of Management Consulting

Mr.Jayesh Ramesh Talpade holds 30,600 Equity Shares in the Company. He is a Director in Maximus Securities Limited.

#### Registered Office:

35, A-Wing, Raj Industrial Complex Premises  
Co-operative Society Limited,  
Military Road, Marol,  
Andheri (East), Mumbai-400 059

Date: 22<sup>nd</sup> May 2014

By Order of the Board  
For HYBRID FINANCIAL SERVICES LIMITED

K. CHANDRAMOULI  
Wholetime Director

## DIRECTORS REPORT

To,  
The Members

**Hybrid Financial Services Limited**

(Formerly known as Mafatlal Finance Company Limited)

Your Directors present the Twenty Seventh Annual Report with the Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March 2014.

**1. FINANCIAL RESULTS**

The Financial results of the company for the year under review as compared to the previous year are summarized below for your consideration:

Particulars	Year Ended 31.03.2014 (Rs. in lacs)	Year Ended 31.03.2013 (Rs. in lacs)
Gross Income	151.90	158.86
Gross Profit / (Loss) before depreciation and Income tax	1.14	(46.80)
Depreciation	0.82	1.17
Provision for Tax	Nil	Nil
Net Profit / (Loss) After Tax	0.32	(47.97)
Add: Amount brought forward from previous year	(1071.56)	(1023.59)
Balance carried forward	(1071. 24)	(1071..56)

**2. OPERATIONS**

The Financial Year 2013-2014 has ended with the company earning a profit of Rs. 0.32 lacs after Tax. The Company's operations are still muted due to the uncertainties of business environment and the outcome of the Tax Litigations. The Company does not anticipate any significant revenue growth from operations in the coming years till the tax issues are resolved.

**3. OUTLOOK**

The company is undertaking new Non - NBFC activities and accordingly entered into agreements with Bharti Airtel Limited to solicit new business clientele for them. These operations have yielded a gross revenue of Rs.13.09 lacs during the financial year ended 31st March 2014. Further these operations also involve heavy regulatory requirements and are not very remunerative. The Company is exploring the possibility of commencing the activity of Employee Back Ground Verification and Checking and has initiated actions accordingly.

**4. DIVIDEND**

No dividend has been recommended by the Board on Equity Shares and Redeemable Preference Shares in view of the inadequacy of profits.

**5. LISTING OF SHARES**

The Company has made an application to BSE for removal of suspension and relisting of the shares under the new name in 30th August 2011. The matter is being pursued. Though the Company is filing its returns to NSE as a measure of abundant caution as it is not proposing to list its share in the said Exchange as members have already approved the shares to be de-listed from the said Exchange in the year 2003 itself.

The Company's ISIN remains suspended as new ISIN subsequent to Name Change and Reduction of Capital is not yet allotted.

**6. PENALTIES AND OTHER LITIGATIONS DURING THE YEAR**

**SAST Regulations**

SEBI has levied a penalty of Rs. 8 Lacs arising out of violations of the provisions of Regulation 8(3) of SAST Regulations. The Company has filed an appeal against this penalty with the Securities Appellate Tribunal.

**Provident Fund Matter**

Provident Fund Department after conducting an enquiry Under Section 7A proceedings have made a demand of Rs. 21,06,154/- on the Company based on a recalculation of dues on a Contractor for the period 2004-2011. The Company has appealed against the same and obtained a stay from Employee Provident Fund Appellate Tribunal.

**Labour Commissioner Delhi**

The Directors of the Company have also received a notice from the Labour Commissioner, Delhi, regarding the Non-Reinstatement of an employee dismissed in the year 1995-1996 and for non implementation of the award of 1999. The concerned employee never resumed his duties pursuant to the award in 1999 till 2005, when the Company had an office at New Delhi. The matter is being appropriately dealt with.

**Tax Matters**

The Company's Income Tax Appeal in the Appellate Tribunal is expected to be concluded during the Financial Year 2014-2015.

**7. MAXIMUS SECURITIES LIMITED [Formerly known as MAFATLAL SECURITIES LIMITED (MSL) – SUBSIDIARY COMPANY]**

The Subsidiary Company has earned a net profit of Rs. 43.22 lacs for the financial year ended 31st March, 2014. The Subsidiary Company is exploring various options to fare better in the current financial year. Statement pursuant to Section 212 of the Companies Act, 1956 in respect of Maximus Securities Limited are separately given in this Report.

**8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOING**

The Company is not engaged in manufacturing activities therefore there is no information to submit in respect of conservation of energy and absorption of technology.

Foreign exchange earnings : Nil  
Foreign exchange outgoings: Nil

**9. DIRECTORATE**

Mr.Jayesh Ramesh Talpade is retiring at the ensuing Twenty Seventh Annual General Meeting and eligible, offers himself for re-appointment.

**10. DEPOSITORIES**

Effective October 30, 2000, the equity shares of your Company have been mandated by Securities and Exchange Board of India for delivery only in dematerialized form for all investors.

Your Company has already entered into arrangements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) for custody and dematerialization of shares in accordance with the Depositories Act, 1996.

**11. PARTICULARS OF EMPLOYEES**

There are no employees who are covered under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975.

## Annual Report 2013-2014

### 12 DIRECTOR'S RESPONSIBILITY STATEMENT

As required under section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the Directors have prepared the Annual Accounts on a going concern basis.

### 13 CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion Analysis, and Corporate Governance Report are made a part of the Annual Report.

### 14 AUDITORS

The Company's Auditors M/s. Ramanand Aiyar & Company, Chartered Accountants retire at the ensuing Annual General Meeting. They being eligible have given their consent to act as Auditors of the Company if reappointed. Members are requested to consider their reappointment as Auditors of the Company for the current year and fix their remuneration.

### 15 ACKNOWLEDGEMENTS

Your Directors wish to thank and place on record their appreciation of the valuable support given by Company's Customers, Shareholders and Bankers.

**FOR AND ON BEHALF OF THE BOARD**

**K.CHANDRAMOULI**  
Wholetime Director

Place: Mumbai  
Date : 22nd May 2014

## MANAGEMENT DISCUSSION AND ANALYSIS

The company would be drawing up the resource plans to carry out future operations in fee based areas.

### FINANCIAL REVIEW

The company's income was Rs.151.90 Lacs which includes Rs.49.09 Lacs towards operational income and Rs.102.81 Lacs as other income (which includes write-backs) and the company earned a profit of Rs.0.32 Lacs.

### BUSINESS ANALYSIS OUTLOOK

The company has been exploring the possibility of alternate activities on the hope of improved market conditions in future in the fee based segment. In addition, the company would also activate its stock broking subsidiary. The Company is yet to identify any new areas of activity in view of the uncertainty of the tax claims.

### RISK AND CONCERNS

The company faces the following challenges and risks:

- a) Results of the outstanding tax disputes.
- b) Contingent risks which the company is not currently facing but may be exposed too.

Your company's management has been continuously evaluating the risk and concerns and have been taking proactive action in its mitigation. Given the fact that there are substantial numbers of risks, which are cumulatively impinging the company's operations, any road to future development would be fraught with a fair degree of uncertainty.

### INTERNAL CONTROL AND THEIR ADEQUACY

The company has appropriate and adequate internal control system, which are sufficient for the level of activities carried by it. The internal audit is being carried out by an external firm of Chartered Accountant and their findings are reviewed at reasonable intervals. The Board is of the opinion that the internal control system is adequate to the size of the Company's business.

The company has fully computerised and integrated financial and accounting function.

### INDUSTRIAL RELATIONS

The Company as on 31st March 2014 has 2 employees on its payroll. The relationship were cordial.

### CAUTIONARY STATEMENTS

Statement in the Management Discussion and Analysis describing the Company's position and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulation. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the market in which the Company operates, changes in the Government Regulations, tax laws and other statutes and incidental factors.

## CORPORATE GOVERNANCE REPORT

THE DETAILED REPORT ON CORPORATE GOVERNANCE AS REQUIRED IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT IS GIVEN BELOW:

### I. MANDATORY REQUIREMENTS

#### 1. CORPORATE GOVERNANCE PHILOSOPHY

The company's philosophy is aimed at being transparent by discharge of all functions in a professionally sound and competent manner. The company's operations in the past have been hampered due to operative difficulties but nevertheless the company has been continuously striving to meet its responsibilities and obligations towards shareholders and others.

#### 2. BOARD OF DIRECTORS

##### (a) Composition and Category of Directors

The company has two Whole Time Directors Mr. Nandakishore Raghunath Divate and Mr. K Chandramouli., two Independent Directors Mr. Jayesh R.Talpade and Mr. Tanveer Shaikh and one Nominee Director Mr. L. Jayaraman, representing Bank of India, Debenture Trustees. \*\*

The company follows the prescribed board procedures by circulating various items of agenda in advance which are to be dealt at the Board Meetings.

The company has formulated a code of conduct for the Board members and senior management. The code provides for fair degree of transparency of operations with necessary guidelines for ethics, appropriate safety and healthy working environment.

##### (b) Attendance of each Director at the Board of Director's Meetings held during 2013-2014 and the last Annual General Meeting is as follows:

Director	Board Meetings Attended	Last Annual General Meeting Attended (Held on 19.07.2013)
Mr. N.R. Divate	4	Yes
Mr. K. Chandramouli	4	Yes
Mr. Jayesh Talpade	4	Yes
Mr.Tanveer Shaikh	3	Yes
Mr. L. Jayaraman **	Nil	No

\*\* Though we understand Mr. L. Jayaraman has retired from the services of Bank of India, no official intimation has been received by us regarding his substitution.

##### (c) Details of Directorships/Committee Memberships held by the existing Directors in other companies are given hereunder:

Name of the Director	Category	Directorships held in other Companies		Committee Memberships held in other Companies	
		As Director	As Chairman	As Member	As Chairman
Mr. K. Chandramouli	Not Independent, Executive	7	-	-	-
Mr. N.R. Divate	Not Independent, Executive	4	-	-	-
Mr. Jayesh Talpade	Independent, Non-Executive	1	-	-	-
Mr.Tanveer Shaikh	Independent, Non-Executive	1	-	-	-
Mr. L. Jayaraman	Independent, Nominee Director	-	-	-	-

##### (d) Number of Board Meetings held and the dates on which held:

Four Board Meetings were held during the year 2013-2014. The dates on which meetings were held were as follows:  
14th May 2013, 19th July 2013, 25th October 2013 and 21st January 2014.

##### (e) Remuneration of Directors:

The company does not pay any remuneration to the Independent Directors.

During the year, the company paid Rs.24,54,885/- to Mr.K. Chandramouli and Rs.26,36,000/- to Mr.N.R.Divate, Whole Time Directors of the Company towards remuneration and the same has been approved by the members.

##### (f). Directors Share Holding:

(i).Mr.K.Chandramouli is holding 93,78,057 Equity Shares, 16,79,100 1% Cumulative Redeemable Preference Shares, (ii). Mr.N.R.Divate is holding 93,83,995 Equity Shares, 16,79,100 1% Cumulative Redeemable Preference Shares and (iii). Mr.Jayesh Talpade is holding 30,600 Equity Shares in the Company.

#### 3. AUDIT COMMITTEE

The company has reconstituted the Audit Committee in accordance with the requirements of Clause 49 of the Listing Agreement entered with the Stock Exchanges. The terms of reference of the Audit Committee, are in conformity with those mentioned in Clause 49 of the Listing Agreement. The Committee reviews the Accounting Policies, Accounts, Audit & Control and various reports placed before it by the Internal Auditors of the Company. The members of the reconstituted Audit Committee are as under on 31.03.2014:

Mr. Jayesh Talpade ... Chairman  
Mr. K. Chandramouli ... Wholetime Director  
Mr. N.R.Divate ... Wholetime Director  
Mr. Tanveer Shaikh ... Director  
Mr. L. Jayaraman ... Nominee Director

## Annual Report 2013-2014

The details of the Audit Committee Meetings and attendance of its members are given below:

Four meetings were held during the year 2013-2014. (14th May 2013, 19th July 2013, 25th October 2013, and 21st January 2014). The attendance for the said meetings is as follows:

Name of the Members	Category	Attendance Particulars
Mr. Jayesh R. Talpade	Chairman	4
Mr.N.R.Divave	Wholetime Director	4
Mr.K.Chandramouli	Wholetime Director	4
Mr. Tanveer Shaikh	Independent Director	3
Mr. L Jayaraman	Nominee Director	Nil

Mr.Binod C.Maharana, Partner of M/S. S.Ramanand Aiyar & Co., Chartered Accountants, Statutory Auditors, attended the Audit Committee Meeting held on 14th May 2013 as Special Invitee.

#### 4. REMUNERATION COMMITTEE

The company has constituted a Remuneration Committee on 27th April 2005 and following are the members in the reconstituted committee as on 31.03.2014:

Mr. Jayesh Talpade	...	Chairman
Mr. K. Chandramouli	...	Wholetime Director
Mr. N.R. Divave	...	Wholetime Director
Mr. Tanveer Shaikh	...	Director

One Remuneration Committee Meeting was held on 14th May 2013 during the year 2013-2014.

#### 5. SHARE/DEBENTURE TRANSFER-CUM-INVESTOR'S GRIEVANCE COMMITTEE

The company has a Share/Debtenture Transfer-cum-Investor's Grievance Committee, consisting of the following members as on 31.03.2014:

Mr. K. Chandramouli	...	Chairman
Mr. N.R. Divave	...	Wholetime Director
Mr. Jayesh Talpade	...	Director
Mr. Tanveer Shaikh	...	Director

The Committee oversees and approves transfer/transmission of equity shares and debentures. The Committee also oversees complaints received from investors for appropriate redressal. The minutes of the Committee meetings are placed at the Board Meetings from time to time. All valid shares transfers received during the year have been acted upon.

Complaint Status: 01.04.2013 to 31.03.2014

Number of Equity Shareholders / Debenture holders / } : 5

Preference Shareholders complaints pending as on 01.04.2013 }

Number of complaints received during the year : 229

Number of complaints solved during the year : 229

Number of complaints pending as on 31.03.2014 : 5

Four meetings were held during the year 2013-2014. (14th May 2013, 19th July 2013, 25th October 2013, and 21st January 2014).

The attendance for the said meetings is as follows:

Name of the Director	Category	Attendance Particulars
Mr.K.Chandarmouli	Chairman	4
Mr. N.R.Divave	Wholetime Director	4
Mr.Jayesh Talpade	Director	4
Mr. Tanveer Shaikh	Director	3

#### 6. DIRECTORS

Mr.Jayesh Talpade, Director of the company is retiring by rotation at the ensuing 27th Annual General Meeting, eligible and offers himself for reappointment. Brief particulars of the director is as under :

Name of the Director	Mr. Jayesh R. Talpade
Date of Birth/Age	16th October 1956 / 58 Years
Date of Original Appointment	9th September 2008
Expertise in specific functional areas	Over Twenty Four Years in the field of Management Consulting
No. of Companies in which the person holds the directorship	Two

**7. GENERAL BODY MEETINGS**

Venue and time where the last three Annual General Meetings were held are given below:

Date	Venue	Time
8th July, 2011	Indian Women Scientists Association, Plot No. 20, Sector 10-A, Opp. Balaji Temple, Near Sainath High School, Vashi, Navi Mumbai 400 703.	11.00 A.M
13th July, 2012	All India Plastics Manufacturer's Association, AIPMA House, A-52, Road No.1, M.I.D.C. Andheri (East), Mumbai – 400 093.	11.00 A.M
19th July, 2013	All India Plastics Manufacturer's Association, AIPMA House, A-52, Road No.1, M.I.D.C. Andheri (East), Mumbai – 400 093.	11.00 A.M

**8. SUBSIDIARY COMPANY:**

The company has appointed Mr. Jayesh Talpade in compliance with Clause 49 (III) (Subsidiary Company) of the Listing Agreement as a director of the holding company in the board of the subsidiary company with effect from 22nd January 2009. The audit committee of the listed holding company also reviews the financial statement of the unlisted subsidiary company and also other matters connected thereto.

During the year ended 31st March 2006, the company had entered into contract for rendering services to the subsidiary upto Rs. 60 lacs per annum plus taxes as per the terms mutually agreed and codified through an agreement entered in this respect. During the financial year ended 31st March 2014 the Company has charged Rs. 36 Lacs against the same. These services consist of seconding employee to the subsidiary and attending to the taxation, treasury, accounting and other operations of the subsidiary. These services are provided at a fair and market related price. In addition to the contractual payment, expenses incurred including engagement of Professionals and other Services are paid separately.

**9. DISCLOSURES**

- The details of related party transactions are given in Point No. 10 of the notes on Financial Statements.
- The company's shares were suspended from trading by National Stock Exchange of India Limited (NSE) since September 2001 and Bombay Stock Exchange Limited (BSE) since December 2002 on account of failure of the company to redress the complaints of investors relating to redemption of public issue of non-convertible debentures.  
The Company has made an application to BSE for removal of suspension and relisting of the shares under the new name on 30th August 2011. The matter is being pursued.  
The Company has not made payment of Listing Fee to Bombay Stock Exchange Limited (BSE) or any other Exchanges for the year 2013-2014.  
The change of name of Company is not yet effected by BSE although the application has been made in the year 2009 and also the requisite fees have been paid.  
The Company's ISIN remains suspended as new ISIN subsequent to Name Change and Reduction of Capital is not yet allotted.  
The company has not paid the listing fees to Bombay Stock Exchange Limited (BSE) for the year 2012-2013, The National Stock Exchange of India Limited (NSE), Ahmedabad Stock Exchange Limited (ASE) from the financial years 2000-01 to 2012-13 and Delhi Stock Exchange Association Limited (DSE) from the financial years 2001-02 to 2012-13 after the members' approval to delist the company's shares from these exchanges. Pending Listing of Shares by BSE, the application for De-listing from other Exchanges could not be pursued.
- SEBI has levied a penalty of Rs. 8 Lacs arising out of violations of the provisions of Regulation 8(3) of SAST Regulations, vide their Adjudication Order dated 25th March, 2014. The Company has filed appeal against this penalty with the Securities Appellate Tribunal on 23rd April 2014.

**10. WHOLETIME DIRECTORS CERTIFICATION:**

**The Wholetime Director and Wholetime Director & Company Secretary of the company have certified to the Board that :**

- They have reviewed the Financial Statements as on 31st March 2014 and the Cash Flow Statement for the year ended 31st March 2014 and that to the best of their knowledge and belief:
  - These statements do not contain any material untrue statement or omit any material fact or contain statement that might be misleading.
  - These statements in their opinion present true and fair view of the company's affairs and are in compliance with the existing accounting standards applicable laws and regulations except the fact that certain interest non-provisions and treatment of remission of liabilities, difference in books of accounts and third party transactions have been dealt differently than as they need to be considered based on the actual unfolding of events.
- There are to the best of their knowledge and belief, no transactions that have been entered into by the company during the year which are fraudulent or illegal or violative of the Company's code of conduct
- They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the company, pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which they are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- There has not been any significant change in internal control over financial reporting during the year under reference;
  - There has not been any significant change in accounting policies during the year requiring disclosures in the notes to the financial statements; and
  - They are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.



## Annual Report 2013-2014

### 11. MEANS OF COMMUNICATION

- a) Half-yearly Report sent to each household of shareholders : No
- b) Quarterly Results : Quarterly Results are taken on record by the Board of Directors and submitted to the Stock Exchanges as per the requirements of the Listing Agreement, which enables the Exchanges to put the same in their websites.
- In which newspapers normally published in : Navshakti and Free Press Journal
  - Websites where displayed : [www.hybridfinance.co.in](http://www.hybridfinance.co.in)
  - Whether it also displays official news releases and presentations made to institutional investors/analysis : No
- c) Whether Management Discussions and Analysis is a part of the Annual Report : Yes

### 12. GENERAL SHAREHOLDER INFORMATION

- 12.1 **Annual General Meeting** : Friday 18th July 2014 at 11 A.M. at All India Plastics Manufacturer's Association, AIPMA House, A-52, Road No.1, M.I.D.C. Andheri (East), Mumbai – 400 093.  
Date, Time & Venue
- 12.2 **Financial Calendar (2014-2015) (tentative) :**
- Quarterly Results:**
- |                                   |                           |
|-----------------------------------|---------------------------|
| Quarter Ending June 30, 2014      | Third week of July 2014   |
| Quarter Ending September 31, 2014 | Last week of October 2014 |
| Quarter Ending December 31, 2014  | Last week of January 2015 |
| Quarter Ending March 31, 2015     | Last week of May 2015     |
- 12.3 **Book Closure date(s)** : Monday, 14th July 2014 to Friday, 18th July 2014 (both days inclusive)
- 12.4 **Dividend payment date(s)** : Not applicable
- 12.5 **Listing of Equity** : Bombay Stock Exchange Ltd. (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.  
The company's shares were also listed in the National Stock Exchange of India Ltd, Ahmedabad Stock Exchange Ltd, and Delhi Stock Exchange Association Ltd. The members have approved delisting from these Exchanges.  
The company has paid the listing fees to Bombay Stock Exchange Limited (BSE) under protest for the financial years from 2004-2005 to 2007-2008 on 17th May 2007, listing fees for 2008-2009 and 2009-2010 on 18th February 2010, listing fee for 2010-2011 on 26th April 2010 and listing fee for the year 2011-2012 on 20th June 2011
- 12.6 **Stock Code**
- |                        |                |
|------------------------|----------------|
| Physical Segment – BSE | : 500262       |
| Demat Segment - BSE    | : INE965B01014 |
- 12.7 **Market Price Data** : The trading of the company's shares has been suspended in the National Stock Exchange of India Limited (NSE) with effect from September 2001 as well as in the Bombay Stock Exchange Limited (BSE) with effect from December 2002 and accordingly no market price data is available.
- 12.8 **Registrar & Transfer Agents** : M/s. Big Share Services Private Ltd. E-2, Ansa Industrial Estate, Saki Vihar Road Saki Naka, Andheri (East), Mumbai - 400 072  
Tel: 28470652 / 40430200 Fax: 28475207
- 12.9 **Share & Transfer Agents (for Electronic Transfers)** : M/s. Big Share Services Private Ltd. E-2, Ansa Industrial Estate Saki Vihar Road, Saki Naka Andheri (East), Mumbai – 400 072  
Tel: 28470652 / 40430200 Fax: 28475207

**12.10 (a) Distribution of Shareholding as on 31st March, 2014**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto – 5000	52,000	99.60	66,70,177	22.66
5001-10000	97	0.18	6,63,629	2.25
10001-20000	64	0.12	8,79,234	2.99
20001-30000	22	0.04	5,59,412	1.90
30001-40000	9	0.02	3,17,246	1.08
40001-50000	3	0.01	1,38,900	0.47
50001-100000	8	0.02	5,63,250	1.91
100001 and above	7	0.01	1,96,44,427	66.74
<b>GRAND TOTAL</b>	<b>52,210</b>	<b>100.00</b>	<b>2,94,36,275</b>	<b>100.00</b>

**(b) Category of Shareholding as on 31st March, 2014**

Sr. No.	Category	Shareholding	Percentage
1.	Promoters	1,87,62,052	63.74
2.	Financial Institutions, Nationalised Banks and Mutual Funds	2,62,200	0.89
3	Bodies Corporate	4,21,292	1.43
4.	Directors and their relatives	30,600	0.10
5.	Non-Resident Individuals	22,687	0.08
6.	General Public	99,37,444	33.76
	<b>TOTAL</b>	<b>2,94,36,275</b>	<b>100.00</b>

- 12.11 Dematerialization of shares : The Company has arrangements with NSDL and CDSL for Demat Facility. 77.62% of the total equity shares are held in dematerialized form with NSDL and CDSL as at 31st March 2014  
Members can hold shares in electronic forms and trade the same in Depository System. However, they may hold the same in physical form also.
- 12.12 Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity. : Nil
- 12.13 Registered Office and Address for Correspondence : No.35, A-Wing, Raj Industrial Complex Premises Co-operative Society Limited, Military Road, Marol, Andheri (East), Mumbai-400 059

**II. NON-MANDATORY REQUIREMENTS**

- Office of the Chairman of the Board and re-imbursement of expenses by the Company**  
The same is not applicable as the Chairman of the Company is a Wholtime Director
- Remuneration Committee**  
The Company has a remuneration Committee in place. For details regarding composition and scope of the Remuneration Committee, please refer to Item No. 4 above under the head "Mandatory Requirements"
- Shareholders' Rights – Furnishing of Quarterly Results**  
The Company's Quarterly Results are published in the newspapers and also posted on its own website ([www.hybridfinance.co.in](http://www.hybridfinance.co.in)). Hence Quarterly Results are not sent to the shareholders. However, the Company furnishes the Quarterly Results on receipt of requests from the shareholders.
- Audit Qualifications**  
The Company, at present, does not have any audit qualification pertaining to the financial results.
- Mechanism for Evaluating Non-Executive Board Members**  
The Company at present does not have any mechanism for evaluating the performance of Non-Executive Directors by a peer group
- Whistle Blower Policy**  
The Company at present does not have any Whistle Blower Policy