

Typhoon Financial Services Limited

[CIN: L65923GJ1990PLC014790]

24TH
ANNUAL REPORT
2013-14

Typhoon Financial Services Limited

[CIN: L65923GJ1990PLC014790]

24TH ANNUAL REPORT 2013-14

BOARD OF DIRECTORS : Mr. Ashok Chhajer Managing Director
Ms. Sushma Chhajer Director
Mr. Kashyap R. Mehta Director
Mr. Manish J. Joshi Director

REGISTERED OFFICE : 35, Omkar House,
Near Swastik Cross Roads,
C.G. Road, Navrangpura,
Ahmedabad 380 009.

AUDITORS : M/s. Virendra Surana & Co.,
Chartered Accountants,
Calcutta.

BANKERS : Bank of Maharashtra

WEBSITE : www.typhoonfinancial.com

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NOTICE

NOTICE is hereby given that the **24th ANNUAL GENERAL MEETING** of the Members of **TYPHOON FINANCIAL SERVICES LIMITED** will be held as scheduled below:

Date : 26th September, 2014
Day : Friday
Time : 4.00 p. m.
Place : Registered Office of the Company situated at:
35, Omkar House, Near Swastik Cross Roads, C. G. Road, Navrangpura, Ahmedabad 380 009.

to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Statement of Profit and Loss for the year ended 31st March, 2014 and the Balance Sheet as on that date along with the Auditors' Report and Directors' Report and thereon.
2. To appoint a Director in place of Ms. Sushma Chhajjar (DIN – 00280231), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re appointment.
3. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Manish J. Joshi (DIN – 06936130), an Independent Director of the Company, who was appointed as an Additional Director pursuant to Section 161(1) of the Companies Act, 2013 and in accordance with the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term from the conclusion of this 24th Annual General Meeting upto the conclusion of the 29th Annual General Meeting to be held in the calendar year 2019."

5. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Kashyap R. Mehta (DIN – 00005063), an Independent Director of the Company, who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term from the conclusion of this 24th Annual General Meeting upto the conclusion of the 29th Annual General Meeting to be held in the calendar year 2019."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the ordinary resolution passed at the 23rd Annual General Meeting of the Company held on 30th September, 2013 and pursuant to provisions of section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow monies for the purpose of business of the Company from any Bank, Financial Institution or any person, such sum or sums of monies as they may deem necessary, notwithstanding the fact that the monies so borrowed and the monies borrowed from time to time apart from temporary loans obtained by the Company exceed the aggregate of the paid up capital of the Company and its free reserves i.e. reserves not set apart for any specific purpose, provided that the total outstanding amount of such borrowings shall not exceed Rs. 50 Crores (Rupees Fifty Crores only) over and above the aggregate of the paid up capital of the Company and its free reserves at any time."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the Ordinary Resolution passed at the 23rd Annual General Meeting of the

TYPHOON FINANCIAL SERVICES LIMITED

Company held on 30th September, 2013, the consent of the Company be and is hereby accorded under Section 179 and Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, to the creation by the Board of Directors on behalf of the Company of such mortgages, charges, hypothecations and floating charges in such form and such manner as may be agreed to between the Board of Directors and the Company's lenders on all or any of the movable & immovable properties of the Company both present and future of every nature and kind whatsoever and the undertaking of the Company in certain events, to secure term loans/ working capital facilities/External Commercial Borrowings/ Debentures/ any other form of finance etc. not exceeding ` 50 Crores (Rupees Fifty Crores only) at any one point of time from Financial Institutions/Banks and other agencies/ parties/person with interest thereon, commitment charges, liquidated damages, charges, expenses and other monies, such mortgages and/or charges already created or to be created in future by the Company in such manner as may be thought expedient by the Board of Directors."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to finalize the documents for creating the aforesaid mortgages and/or charges and to do all such acts, things and matters as may be necessary for giving effect to the above resolution."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company do hereby accord its approval to the appointment of Mr. Ashok Chhajjer (DIN – 00280185) as Managing Director of the Company, liable to retire by rotation, for a period of 5 years with effect from 29th July, 2014 to 28th July, 2019 on the terms and conditions (which have been approved by Nomination and Remuneration Committee) as set out in the Explanatory Statement under Section II of Part II of Schedule V of the Companies Act, 2013."

Registered Office :

35, Omkar House,
Near Swastik Cross Roads,
C. G. Road, Navrangpura,
Ahmedabad 380 009.
Date :29th July, 2014

By Order of the Board,

Ashok Chhajjer
Managing Director

NOTES:

1. The Explanatory Statement, pursuant to provisions of section 102 of the Companies Act, 2013 and rules made thereunder, in respect of the business under Item Nos. 4 to 8 of the Notice is annexed hereto.
2. The Register of Members and Share Transfer Books will remain closed from 12th September, 2014 to 26th September, 2014 (both days inclusive) for the purpose of Annual General Meeting.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF, ON A POLL ONLY AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PER CENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution/ Authorisation document authorising their representative to attend and vote on their behalf at the Meeting.
5. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report. The Directors have furnished the requisite declarations for their appointment / re-appointment.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market.
7. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
8. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination

in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company.

9. The members are requested to bring duly filled attendance slip along with their copy of Annual Report at the Meeting.
10. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours on all working days between 11.00 A.M. and 1.00 P.M. except Sundays, up to and including the date of the Annual General Meeting of the Company.
11. Members may also note that this Notice and the Annual Report for 2013-14 will also be available on the Company's website www.typhoonfinancial.com for their download.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESSES MENTIONED IN THE NOTICE OF 24TH ANNUAL GENERAL MEETING DATED 29TH JULY, 2014.

In respect of Item No. 4:

Pursuant to provisions of section 161(1) of the Companies Act, 2013 (hereinafter referred to as the Act) and pursuant to the Articles of Association of the Company, the Board of Directors of the Company appointed Mr. Manish J. Joshi as an Additional Director with effect from 29th July, 2014. Mr. Manish J. Joshi is an Independent Director on the Board of the Company.

Pursuant to provisions of Section 161 of the Companies Act, 2013, Mr. Manish J. Joshi holds office only upto the date of this Annual General Meeting of the Company. A notice has been received from a member along with deposit of requisite amount under Section 160 of the Act proposing Mr. Manish J. Joshi as a candidate for the office of the Director of the Company.

Mr. Manish J. Joshi is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as Director. Section 149 of the Act, inter alia, stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. As per the provisions of the said section, an Independent Director can hold office for a term up to five consecutive years on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.

The Company has received a declaration from Mr. Manish J. Joshi that he meets with criteria of independence as prescribed both under section 149(6) of the Act and clause 49 of the Listing Agreement. Mr. Manish J. Joshi possesses appropriate skills, experience and knowledge in the field Accounts & Administration. Brief resume of Mr. Manish J. Joshi, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships / chairperson of the Board/ Committees, shareholding and relationship between Directors inter se, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

In the opinion of the Board, Mr. Manish J. Joshi fulfills the conditions specified in the Act and rules made thereunder for her appointment as an Independent Director of the Company.

Keeping in view of his experience and knowledge, the Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Manish J. Joshi as an Independent Director.

Save and except Mr. Manish J. Joshi, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 4.

This explanatory statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchanges.

In respect of Item No. 5:

Mr. Kashyap R. Mehta is an Independent Director on the Board of the Company. He was appointed on the Board at its meeting held on 30th March, 2003.

Mr. Kashyap R. Mehta was appointed as a Director liable to retire by rotation. In terms of section 149 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the Act), which are made applicable from April 1, 2014, Mr. Kashyap R. Mehta being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of the 29th Annual General Meeting in the calendar year 2019. A notice has been received from a member along with deposit of requisite amount under section 160 of the Act proposing Mr. Kashyap R. Mehta as a candidate for the office of Director of the Company.

Mr. Kashyap R. Mehta is not disqualified from being appointed as Director in terms of section 164 of the Act and has given

TYPHOON FINANCIAL SERVICES LIMITED

his consent to act as Director. Section 149 of the Act, inter alia, stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. As per the provisions of the said section, an Independent Director can hold office for a term up to five consecutive years on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.

The Company has received a declaration from Mr. Kashyap R. Mehta that he meets with criteria of independence as prescribed both under section 149(6) of the Act and clause 49 of the Listing Agreement. Mr. Kashyap R. Mehta possesses appropriate skills and experience in the field of Corporate Law & Finance. Brief resume of Mr. Kashyap R. Mehta, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships / chairmanships of the Board/Committees, shareholding and relationship between Directors inter se, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

In the opinion of the Board, Mr. Kashyap R. Mehta fulfills the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company.

Keeping in view of his vast experience and knowledge, the Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Kashyap R. Mehta as an Independent Director.

Save and except Mr. Kashyap R. Mehta, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 5.

This explanatory statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchanges.

In respect of Item No. 6:

The members of the Company at 23rd Annual General Meeting held on 30th September, 2013 approved by way of an Ordinary Resolution under section 293(1)(d) of the Companies Act, 1956 for borrowing over and above the aggregate of the paid-up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amount already borrowed and outstanding at any point of time shall not be in excess of Rs.25 Crores (Rupees Twenty Five Crores only), of aggregate of the paid-up share capital and free reserves of the Company.

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the Company's paid-up share capital and free reserves, apart from temporary loans obtained from the Company's Bankers, etc. in the ordinary course of business, except with the approval of the Company accorded by a Special Resolution.

The Company borrows funds from the Banks and Financial Institutions for its business and considering the growth of the business, the Board is of the opinion that the Company may require to borrow additional funds for both organic and inorganic growth. In view of the requirements of the increased borrowings and to comply with the requirements of section 180(1)(c) or other applicable provisions of the Companies Act, 2013, the members of the Company shall pass a Special Resolution as set out at item No. 6 of the Notice, to enable the Board of Directors to borrow in excess of the aggregate of the paid-up share capital and free reserves of the Company. Approval of the members is being sought to borrow the money up to Rs.50 Crores (Rupees Fifty Crores only) in excess of the aggregate of the paid-up share capital and free reserves of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out in the item No. 6.

In respect of Item No. 7:

Section 180(1)(a) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not sell, lease or otherwise dispose of the whole or substantially whole of the undertaking of the company. In view of the resolution relating to borrowing powers stated in Item No. 7, the Company may have to create further charges/ mortgages in favour of the lenders. Therefore, a resolution enabling the Directors to create charges/mortgages on the movable/immovable properties of the Company to the extent of Rs.50 crores at any point of time is proposed.

Since the invocation of security / mortgage by the lender may be regarded as a disposal of the undertaking by the Company in favour of the Institutions / Banks, it is necessary for the members to pass a special resolution under Section 180(1)(a) of the Companies Act, 2013 before creation of the said charges / mortgages.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No.7 of this Notice, to enable to the Board of Directors to create charges/mortgages to secure the borrowings as mentioned in Item No. 7.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7

In respect of Item No. 8:

The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee, in their meeting held on 29th July, 2014 has appointed Mr. Ashok Chhajer as Managing Director for a period of 5 years i.e. from 29th July, 2014 to 28th July, 2019.

The major terms and conditions are as under:

I. PERIOD:

For a period of 5 years from 29th July, 2014 to 28th July, 2019

II. REMUNERATION:

The Managing Director will not be entitled for any remuneration.

III. The Managing Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.**IV.** The Managing Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company without the prior approval of the Central Government.**V. DUTIES:**

Subject to the superintendence, direction and control of the Board of Directors of the Company, the Managing Director Shall be entrusted with substantial powers of management and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. The headquarter of the Managing Director shall be at Ahmedabad or at such place as the Board of Directors may decided from time to time.

VI. TERMINATION:

The Managing Director may be removed from his office for gross negligence, breach of duty or trust if a Special Resolution to that effect is passed by the Company in its General Meeting. The Managing Director may resign from his office by giving 90 days' notice to the Company.

As per the provisions of Sections 188,196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, it is advisable to make appointment of Mr. Ashok Chhajer as Managing Director of the Company by passing Special Resolution.

The following is the details of interest of Directors/ Key Managerial Personnel/ Relative of Director/ Relative of Key Managerial Personnel:

Sr. No	Category	Name of Interested Director / KMP	Financial Interest	Non- Financial Interest
1.	Director	Mr. Ashok Chhajer	Relates to his elevation as Managing Director, he may be deemed to be concerned or interested in the business	
2.	Key Managerial Personnel	-	-	
3.	Relative of Director	Sushma Chhajer	Relates to appointment of Mr. Ashok Chhajer as Managing Director, who is relative of Director and, therefore, she may be deemed to be concerned or interested in the business.	
4.	Relative of Key Managerial Personnel	-	-	

As appointment of Mr. Ashok Chhajer as Managing Director is without payment of any remuneration, no other information is required to be given under Section II of Part II of Schedule V of the Companies Act, 2013 with Notice annexed hereto.

The above proposals are in the interest of the Company and the Directors recommend the Resolution Nos. 4 to 8 (both inclusive) of this Notice for consent and approval by the Members.

Registered Office :

35, Omkar House,
Near Swastik Cross Roads,
C. G. Road, Navrangpura,
Ahmedabad 380 009.
Date :29th July, 2014

By Order of the Board,

Ashok Chhajer
Managing Director

TYPHOON FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors pleased to present the 24TH ANNUAL REPORT together with the Audited Statement of Accounts for the financial year 2013-14 ended 31st March, 2014.

1. FINANCIAL RESULTS :

(` in Lacs)

Particulars	2013-14	2012-13
Total Income	3.08	3.83
Profit before tax	1.15	0.71
Less: Provision for taxation	0.48	0.69
Profit after tax	0.67	0.02

2. DIVIDEND:

With a view to conserve the resources for Working Capital requirements of the Company, the Board of Directors have not recommended dividend for the year under review.

3. DIRECTORS:

Mr. Manish J. Joshi is appointed as Independent Director w.e.f. 29th July, 2014. One of your Directors viz. Ms. Sushma Chhajer, retires by rotation at this Annual General Meeting, being eligible offers herself for reappointment.

Mr. Kashyap R. Mehta and Mr. Manish J. Joshi, being Independent Directors, are being appointed for a term of 5 years as per provisions of the Companies Act, 2013. Mr. Ashok Chhajer has been elevated as Managing Director of the Company.

4. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- that in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- that 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 31st March, 2014 being end of the financial year 2013-14 and of the Profit of the Company for the year;
- that the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors had prepared the annual accounts on a going concern basis.

5. AUDIT COMMITTEE:

The Board of Directors have re-constituted Audit Committee consisting of the following:

- Mr. Kashyap R. Mehta Chairman
- Ms. Sushma A. Chhajer Member
- Mr. Manish J. Joshi Member

6. NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors have constituted Nomination and Remuneration Committee consisting of the following:

- Mr. Kashyap R. Mehta Chairman
- Ms. Sushma A. Chhajer Member
- Mr. Manish J. Joshi Member

7. LISTING:

The Equity Shares of the Company are listed on Ahmedabad Stock Exchange Limited and Calcutta Stock Exchanges Limited and the Company is generally regular in payment of Annual Listing Fees to both the Stock Exchanges.

8. PARTICULARS OF EMPLOYEES:

As there was no employee of the Company who was in receipt of a remuneration requiring disclosure as per the provisions of the Section 217(2-A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

9. FIXED DEPOSITS:

The Company has not accepted during the year under review any deposit as defined under the Companies (Acceptance of Deposits) Rules, 1975.

10. AUDITORS:

The present Auditors of the Company M/s. Virendra Surana & Co., Chartered Accountants, Calcutta will retire at the ensuing Annual General Meeting. They have submitted certificate for their eligibility for their re appointment for the financial year 2014-15, if made, will in accordance with the provisions of Section 139 & 141 of the Companies Act, 2013. The Remarks of the Auditors is self explanatory and have been explained on notes on accounts.

11. DEMATERIALISATION OF EQUITY SHARES:

The Company has initiated steps for entering into agreement with both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to facilitate Shareholders to hold Shares in dematerialised/electronic form.

12. PARTICULARS AS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988:

Your Company being in the industry of investment and finance, the particulars relating to Conservation of Energy, Technology Absorption etc. required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable.

13. REVOCATION OF SUSPENSION OF TRADING:

The Board of the Directors of the Company in their meeting held on 28th May, 2014 had discussed the matter for making application to Calcutta Stock Exchange Limited and Ahmedabad Stock Exchange Limited for revocation of suspension of trading in the Equity Shares of the Company. The Company had made application to Calcutta Stock Exchange Limited and Ahmedabad Stock Exchange Limited for obtaining In Principle approval of revocation of suspension.

14. MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT:

As per Clause 49 of the Listing Agreement, the Management Discussion and Analysis Report and Report on Corporate Governance form part of this Annual Report. A certificate regarding compliance with the conditions of Corporate Governance as stipulated in clause 49 of the listing agreement is also appended to the Annual Report.

15. COMPLIANCE CERTIFICATE UNDER THE COMPANIES ACT, 1956:

Your Company has obtained Compliance Certificate as required under the Proviso to Section 383A of the Companies Act, 1956 from M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad which is attached to the Directors' Report.

16. CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior Management, which is available on the Company's website. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct.

17. ACKNOWLEDGEMENT:

Your Directors are pleased to take this opportunity to express their sincere gratitude for the assistance and continued co operation extended by Banks, Government Authorities, shareholders etc. Your Directors also wish to place on record their deep appreciation of the contribution made by the employees at all levels towards the growth of the company.

Registered Office:

35, Omkar House,
Near Swastik Cross Roads,
C. G. Road, Navrangpura,
Ahmedabad 380 009.
Date: 29th July, 2014

For and on behalf of the Board,

Sushma Chhajjer
Director

Ashok Chhajjer
Managing Director

TYPHOON FINANCIAL SERVICES LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

a. Industry Structure and Developments:

The Non Banking Financial Companies (NBFC) industry in the private sector in India is represented by a mix of few large and national level Companies and a large number of small and medium sized, regional and local Companies. These NBFCs provide a variety of services including fund based and free based activities as well as cater to retail and non-retail markets and niche segments.

b. Opportunities and Threats:

The Company faces normal market competition in its business. The working of the NBFCs continued to be adversely affected by defaults due to recession and absence of proper and speedier recovery loss and procedure, paucity of funds, over regulations, lack of level playing field, additive tax treatments and disallowance and encroachment by unprofessional and inexperienced fly-by-night operators in the industry.

c. Segment wise Performance:

The Company is operating in single segment. Hence, there is no need of reporting segment wise performance.

d. Recent Trend and Future Outlook:

The Company is likely to continue to maintain its focus on capital market activities including trading in securities and emerging products in derivatives. The Company will also look for any attractive opportunities in other growth areas in the financial services sector.

e. Risks and Concerns:

The Company is exposed to the normal industry risk factors of interest rate volatility, credit risk, market risk and operational risk. It manages these risks by maintaining a conservative financial profile and by following prudent business and risk management practises.

With lower and lower interest regime, the Company's gross income may suffer a set back as being a finance Company its main income is return/yield on its deployable funds.

f. Internal Control Systems and their Adequacy:

The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

g. Financial Performance with respect to Operational Performance:

The financial performance of the Company for the year 2013-14 is described in the Directors' Report.

h. Material Developments in Human Resources and Industrial Relations Front:

The Company is in process of employing and developing HRD department.

i. Cautionary Statement:

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

Registered Office:

35, Omkar House,
Near Swastik Cross Roads,
C. G. Road, Navrangpura,
Ahmedabad 380 009.
Date: 29th July, 2014

For and on behalf of the Board,

Sushma Chhajer
Director

Ashok Chhajer
Managing Director