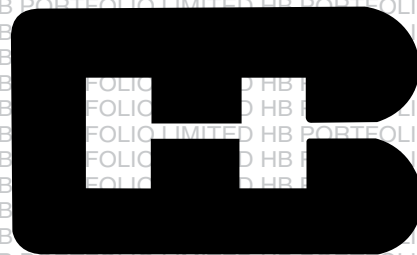


**20th  
Annual Report  
2014 - 15**



**HB PORTFOLIO LIMITED**



**BOARD OF DIRECTORS**

Mr. Lalit Bhasin	Chairman
Mr. Anil Goyal	Managing Director
Mr. J.M.L. Suri	Director
Mr. R. K. Bhargava	Director
Mr. B. L. Chadha	Director
Mr. R. C. Sharma	Director
Mrs. Anita Jain	Director

**COMPANY SECRETARY**

Mr. Dinesh Kapoor

**AUDITORS**

**P. Bholusaria & Co.**  
Chartered Accountants  
26/11, Shakti Nagar,  
Delhi - 110 007

**REGISTERED OFFICE**

Plot No. 31, Echelon Institutional Area,  
Sector-32, Gurgaon - 122 001, Haryana  
Ph : 0124-4675500, Fax : 0124-4370985  
Email : corporate@hbportfolio.com  
CIN: L67120HR1994PLC034148

**WEBSITE**

www.hbportfolio.com

**REGISTRAR & SHARE TRANSFER AGENT**

**RCCM Share Registry Pvt. Ltd.,**  
B-25/1, First Floor,  
Okhla Industrial Area, Phase-II, New Delhi – 110 020  
Phone : 011 – 26387320, 26387321, 26387323  
Fax : 011 - 26387322  
E-mail: shares@rcmdelhi.com.

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**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 20TH ANNUAL GENERAL MEETING OF HB PORTFOLIO LIMITED WILL BE HELD AS FOLLOWS:**

(Note: The Company is providing facility for voting by electronic means and the business of this meeting may be transacted through electronic voting system.)

**Day : Thursday**

**Date : 03rd September, 2015**

**Time : 11.00 A.M**

**Place : GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurgaon - 122 001 (Haryana)**  
(Please see route map provided in this Annual Report)

to transact the following business/(s):

**AS ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended 31st March, 2015, including the Audited Balance Sheet as at 31st March, 2015, the Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Anil Goyal (DIN: 00001938), who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint M/s. P. Bholusaria & Co., Chartered Accountants (Firm Registration No.: 000468N) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

**AS SPECIAL BUSINESS:**

5. **To appoint Mrs. Anita Jain (DIN: 00031612) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mrs. Anita Jain (DIN: 00031612), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and who shall hold office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company to hold office for five consecutive years with effect from date of passing of this resolution and she shall not be liable to retire by rotation."

6. **To approve remuneration of Mr. Anil Goyal, Managing Director (DIN: 00001938) for the remaining currency of his tenure and in this regard 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 resolution passed by the Board of Directors in their meeting held on 10th February, 2015 and subject to the provisions of Section 196, 197, 198, 203 and Schedule V and all other applicable provisions of the Companies Act, 2013, the consent of the Company be and is hereby given for payment of same remuneration to Mr. Anil Goyal, Managing Director as set out in the Explanatory Statement, for the remaining currency of his tenure i.e. from 20th February, 2015 to 19th February, 2017.

**RESOLVED FURTHER THAT** the said remuneration may be increased up to 30% per annum in the second year and shall be payable as minimum remuneration to the Managing Director in the event of absence / inadequacy of profits in any financial year and that the aforesaid remuneration shall be effective up to 19th February, 2017 unless otherwise revised by the Board of Directors.

**RESOLVED FURTHER THAT** Mr. Anil Goyal who is also the Managing Director of HB Leasing & Finance Co. Ltd. shall not draw any remuneration from HB Leasing & Finance Co. Ltd. so long as he draws remuneration from the Company."

**BY ORDER OF THE BOARD  
For HB PORTFOLIO LIMITED**

**Sd/-  
DINESH KAPOOR  
(Company Secretary)  
Membership No.: FCS-6731**

**Place : Gurgaon**

**Date : 28th May, 2015**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING.**

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON CANNOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. An Explanatory Statement(s) pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business herein is annexed hereto and form part of this Notice.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from **28th August, 2015 to 03rd September, 2015** (Both days inclusive).
4. Dividend, if declared at the Annual General Meeting will be paid within thirty days thereof to those members whose names appear on the Register of Members of the Company after giving effect to all valid requests for transfer of shares lodged with the Company on or before the close of business hours on **27th August, 2015** or to their mandates. The dividend in respect of Shares held in dematerialised form would be payable to the beneficial owners of Shares recorded with the depositories as at the end of **27th August, 2015** as per the details furnished by the Depositories for the purpose.
5. Under Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred ₹ 17,57,070/- (Rupees Seventeen Lacs Fifty Seven Thousand and Seventy Only) to IEPF on 22nd October, 2014 being the unpaid and unclaimed dividend amount pertaining to final dividend for the financial year ended 31st March, 2007.

The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the Shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2007 to 2013, as on the date of the last Annual General Meeting, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investors Centre" on the website of the Company viz. [www.hbportfolio.com](http://www.hbportfolio.com)

6. Securities and Exchange Board of India (SEBI) has made mandatory for all Companies to use the bank account details furnished by the Shareholders for distributing dividend through Electronic Clearing Service (ECS), wherever ECS and Bank details are available. In the absence of ECS facility being made available for any reason, the Companies are required to print the bank account details on the payment instrument for distribution of dividends to the investors. Accordingly, Shareholders holding Shares in physical form are requested to notify their bank details giving the name of the bank, the branch, the account number to the Company's Registrar and Share Transfer Agent, RCMC Share Registry Pvt. Ltd. In case the holdings are in dematerialised form, the said details should be conveyed to their Depository Participant. Shareholders who wish to avail the ECS facility offered by the Company should in addition to the aforesaid bank details also furnish a photocopy of the cheque leaf to Company's Registrar and Share Transfer Agent in case of holding in physical mode and to the Depository Participant in case of dematerialised holding.

The bank particulars of the Shareholders recorded with the Depository Participant as on the book closure date, the data of which will be received through Depositories will be used by the Company for printing on dividend warrants. This would ensure that the dividend warrants cannot be deposited in any account other than the one specified on the warrants. For safety and in the interest of Shareholders, it is important that bank account details are correctly provided to the Depository Participants. The bank details (mandate) for Shares held in physical form will not be applicable / applied for Shares held in dematerialised form and vice versa.

7. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding Shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company's Registrar and Share Transfer Agent namely, RCMC Share Registry Pvt. Ltd.
8. Members/Proxies should bring Attendance Slips duly filled in for attending the meeting.
9. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
10. Shareholders seeking any information with regard to Financial Statements are requested to write to the Company at least seven days before the date of the meeting so as to enable the management to keep the information ready.
11. Members are requested to:

- (a) Notify any change in their address to the Company including PIN CODE to the Registrar and Share Transfer Agent of the Company namely,

**RCMC Share Registry Pvt. Ltd.**  
B-25/1, First Floor,  
Okhla Industrial Area, Phase-II,  
New Delhi – 110 020  
Phone: 011 – 26387320, 26387321, 26387323  
Fax: 011 – 26387322  
E-mail: [shares@rcmcdelhi.com](mailto:shares@rcmcdelhi.com)

Members whose Shareholding is in electronic mode are requested to direct change of address notifications and bank particulars for receiving the dividend, if declared, through electronic credit under ECS, to their respective Depository Participants.

- (b) Bring their copies of Annual Report with them to the meeting as the same will not be supplied again at the Meeting as a measure of economy.



12. The Company is implementing the "Green Initiative" as per Circular Nos. 17/2011 dated 21st April, 2011 and 18/2011 dated 29th April, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices / documents and annual reports to the Shareholders. Henceforth, the email addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL / CDSL will be deemed to be your registered email address for serving notices / documents including those covered under Section 136 of the Companies Act, 2013. The Notice of Annual General Meeting and the copies of Audited Financial Statements, Director's Report, Auditors Report etc. will also be displayed on the website of the Company, www.hbportfolio.com and the other requirements of the aforesaid MCA circular will be duly complied with.
- Members holding Shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding Shares in physical mode are also requested to update their email addresses by writing to the Registrar and Share Transfer Agent of the Company at the address mentioned in 11(a) above quoting their folio number(s).
- Copies of the Annual Report are being sent by electronic mode only to the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report including Attendance Slip and Proxy Form are being sent by the permitted mode.
13. **Voting through electronic means:**
- (i) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Members are provided with the facility to cast their votes by electronic means on all the resolutions proposed to be considered in this Annual general Meeting from a remote location ("Remote e-voting").
  - (ii) The Company has engaged the services of Karvy Computershare Pvt. Ltd. ("Karvy") to provide the facility of Remote e-voting.
  - (iii) The facility for voting through physical ballot papers shall be made available at the meeting and members attending the meeting, who have not already cast their vote by Remote e-voting shall be able to exercise their right to vote at the meeting through ballot papers.
  - (iv) The Members who have cast their vote by Remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
  - (v) The e-voting rights of the Members shall be in proportion to the paid-up value of their Shares in the equity capital of the Company. Members of the Company holding Shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 27th August, 2015**, may cast their vote by remote e-voting / at the meeting.
  - (vi) **The Remote e-voting period commences on 31st August, 2015 (09.00 A.M) and ends on 02nd September, 2015 (05.00 P.M).** The Remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
  - (vii) Any person who acquires Shares of the Company and becomes member of the Company after dispatch of the Notice and holding Shares as on the cut-off date i.e. 27th August, 2015 may obtain the login Id and password by sending a request at [evoting@karvy.com](mailto:evoting@karvy.com). However, if you are already registered with Karvy for Remote e-voting then you can use your existing user ID and password for casting your vote.
  - (viii) Detailed instructions for availing the Remote e-voting facility indicating the process and manner of e-voting are given separately in the e-voting notice sent along with this Notice.
  - (ix) The Results declared along with the Scrutinizer's Report(s) shall be placed on the website of the Company viz. [www.hbportfolio.com](http://www.hbportfolio.com) and on Karvy's website viz. <https://evoting.karvy.com> immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to Bombay Stock Exchange Limited (BSE), where the Shares of the Company are listed.
14. 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 (9.00 A.M to 5.00 P.M) on all working days up to and including the date of the Annual General Meeting of the Company.
15. **Details of Directors seeking appointment / reappointment at the ensuing Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement) are as under:**

**PROFILE OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT  
AT THIS ANNUAL GENERAL MEETING  
(Refer Note No. 3 & 5 of this Notice)**

Name of the Director	(1) Mr. Anil Goyal	(2) Mrs. Anita Jain
Date of Birth	22nd February, 1959	11th November, 1961
Date of Appointment	20th February, 2002	31st March, 2015
Profile / Expertise in Specific functional Areas	Mr. Anil Goyal is a fellow member of the Institute of Chartered Accountants of India. He brings with him more than three decades of expertise in the fields of finance, taxation, investment banking, corporate restructuring and strategic planning	Mrs. Anita Jain is an Information Technology professional turned entrepreneur. She has experience of over two decades in handling Application Lifecycle products and Enterprise Applications across multiple industries. She has held leadership positions with organizations in Retail and Textile manufacturing for more than five years and is a Retail domain enthusiast
Qualifications	B.Com & C.A	M.B.A (Finance)
List of Directorship in other Public Companies (As on 31st March, 2015)	<ol style="list-style-type: none"> <li>1. HB Stockholdings Limited</li> <li>2. HB Estate Developers Limited</li> <li>3. HB Leasing &amp; Finance Co. Limited</li> <li>4. RRB Securities Limited</li> <li>5. HB Corporate Services Limited</li> <li>6. HB Securities Limited</li> <li>7. Mount Finance Limited</li> <li>8. Bhasin Investments Limited</li> </ol>	NIL
Membership of Committee of the Board in other Public Companies (As on 31st March, 2015)	<u>Audit Committee</u> <ol style="list-style-type: none"> <li>1. HB Stockholdings Limited</li> </ol> <u>Stakeholders Relationship Committee</u> <ol style="list-style-type: none"> <li>1. HB Estate Developers Limited</li> <li>2. HB Leasing &amp; Finance Co. Limited</li> <li>3. RRB Securities Limited</li> </ol> <u>Nomination &amp; Remuneration Committee</u> <ol style="list-style-type: none"> <li>1. RRB Securities Limited</li> </ol> <u>Corporate Social Responsibility (CSR) Committee</u> <ol style="list-style-type: none"> <li>1. HB Estate Developers Limited</li> <li>2. HB Stockholdings Limited</li> </ol>	NIL
Shares held by the Director	NIL	NIL

**BY ORDER OF THE BOARD  
For HB PORTFOLIO LIMITED**

Sd/-  
**DINESH KAPOOR**  
(Company Secretary)  
Membership No.: FCS-6731

Place : Gurgaon  
Date : 28th May, 2015



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

**ITEM NO. 5:**

Mrs. Anita Jain was appointed as an Additional Director of the Company w.e.f 31st March, 2015 who shall hold her office only up to the date of this Annual General Meeting (AGM). The Board of Directors in their meeting held on 28th May, 2015, on the recommendation of the Nomination and Remuneration Committee has recommended to appoint Mrs. Anita Jain as Non-Executive Independent Director within the meaning of Section 149, 152 of the Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under, not subject to retirement by rotation, for a term of five consecutive years with effect from the date of this Annual General Meeting.

The Company has received requisite notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 1,00,000/- (Rupees One Lac only) proposing the candidature of Mrs. Anita Jain for the office of Independent Director. This may be treated as individual notice under Section 160(2) of the Companies Act, 2013. The notice received under Section 160 is available for inspection during normal business hours on any working day of the Company.

The Company has received from Mrs. Anita Jain (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mrs. Anita Jain fulfills the conditions for appointment as an Independent Director as specified in the Act and the Rules made thereunder and she is independent of the Management. A copy of the draft letter for the appointment of Mrs. Anita Jain as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM. The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services as an Independent Director.

She is not related to any of the Directors or Key Managerial Personnel (KMP) including relatives of Directors or KMP of the Company in terms of Section 2(77) of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel (KMP) including relatives of Directors or KMP other than Mrs. Anita Jain, Director herself is concerned or interested, financially or otherwise in the resolution.

The Board recommends the resolution set forth at Item No. 5 of the Notice for the approval of the members.

**ITEM NO. 6:**

Mr. Anil Goyal was re-appointed as the Managing Director of the Company for a period of five years w.e.f. 20th February, 2012 till 19th February, 2017 and payment of remuneration was approved for a period of three years w.e.f 20th February, 2012 to 19th February, 2015 as per Schedule XIII of erstwhile Companies Act, 1956.

The Board of Directors on the recommendation of the Nomination & Remuneration Committee, in their meeting held on 10th February, 2015 has considered and recommended payment of same remuneration to the Managing Director for the remaining currency of his tenure i.e from 20th February, 2015 to 19th February, 2017 subject to the approval of the Shareholders of the Company, as under:

**a) BASIC SALARY**

₹ 2,60,000/- (Rupees Two Lacs Sixty Thousand only) per month.

**b) PERQUISITES**

**HOUSING**

(i) The expenditure by the Company on hiring accommodation for the Managing Director will be subject to the ceiling of 60% of the basic salary of the Managing Director, or

(ii) In case the accommodation provided to the Managing Director is owned by the Company, the Company shall deduct 10% of the basic salary of the Managing Director, or

(iii) In case no accommodation is provided by the Company to the Managing Director, House Rent Allowance @ 60% shall be paid by the Company to the Managing Director.

**c) MEDICAL REIMBURSEMENT**

Expenses incurred for self and family subject to a ceiling of ₹ 30,000/- in a year.

**d) LEAVE TRAVEL CONCESSION**

Expenses incurred for self and family subject to a ceiling of ₹ 1,00,000/- in a year.

**e) CLUB FEES**

Fees of clubs, subject to a maximum of two clubs. However, admission and life membership fees shall not be allowed.

**f) PERSONAL ACCIDENT INSURANCE**

Premium subject to a maximum of ₹ 10,000/- per annum.

**g) PROVIDENT FUND**

Company's contribution towards Provident Fund, subject to a ceiling, as prescribed under the provisions of law applicable in this regard.

**h) SUPERANNUATION FUND**

Company's contribution towards Superannuation Fund upto ₹ 1,00,000/- per annum.

**i) GRATUITY**

Half month's basic salary for each completed year of service on the basis of last basic salary drawn.

**j) CAR AND TELEPHONE**

The Company shall provide car for use on Company's business and telephone at the residence of the Managing Director. However, personal long distance calls on telephone and use of car for private purposes shall be billed by the Company to the Managing Director.

**k) LEAVE**

Earned / Privilege leave, not exceeding one month for every eleven months of service, on full salary and allowance.

**l) ACCUMULATED LEAVE ENCASHMENT**

In accordance with the policy of the Company, leaves accumulated and not availed of, in excess of 90 days as at the end of every financial year shall be encashed yearly on the basis of basic salary drawn as at the end of the said financial year and the balance unencashed accumulated leaves may be encashed at the time of ceasing to be Managing Director of the Company.

m) Apart from the aforesaid salary, perquisite, allowances and benefits, the Managing Director will be entitled to reimbursement of expenses incurred in connection with business of the Company.

n) No sitting fees will be paid to the Managing Director for attending the meetings of the Board of Directors of the Company or Committees thereof.

o) The appointment may be terminated by three months notice on either side or in lieu thereof three months full salary, allowances, perquisites and benefits.

The above remuneration may be increased upto 30% per annum in the second year. The above remuneration shall be payable as minimum remuneration to the Managing Director in the event of absence / inadequacy of profits in any financial year. Mr. Anil Goyal shall not draw any remuneration from HB Leasing & Finance Co. Limited so long as he draws remuneration from HB Portfolio Limited.

**The Additional disclosures mentioned in Para (B) (iv) of Section II of Part II of Schedule V of the Companies Act, 2013 is as under:**

**I. GENERAL INFORMATION:**

(1) Nature of Industry	Investment in Securities	
(2) Date or expected date of Commencement of Production	Existing Company. The Company is not engaged in any manufacturing activities.	
(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the Prospectus.	Not Applicable	
(4) Financial Performance based on given indicators – (₹ in Lacs)		
Particulars	2014-2015	2013-2014
Total Sales and other Income	281.11	815.26
Profit before Depreciation, Interest & Tax	146.22	687.18
Provision for Depreciation	3.84	3.57
Interest	27.14	21.66
Provision for Taxation	34.67	149.32
<b>Net Profits</b>	<b>80.57</b>	<b>512.63</b>
(5) Foreign Investments or collaborators, if any.	The Company has no foreign investments or foreign collaborations.	



**II. INFORMATION ABOUT THE APPOINTEE:**

(1)	<b>Background details</b>	Mr. Anil Goyal is a Chartered Accountant with nearly thirty two years of experience in the field of finance, taxation, investment, banking, corporate restructuring and strategic planning.
(2)	<b>Past remuneration</b>	₹ 51,22,000/- for the period from 01st April, 2014 to 31st March, 2015.
(3)	<b>Recognition or awards</b>	None
(4)	<b>Job profile and his suitability</b>	Being top level position, the job profile essentially requires a leader who is innovative, self motivated and result oriented. Mr. Goyal being an expert in finance and taxation with his vast experience is most suitable for the job.
(5)	<b>Remuneration proposed</b>	Same remuneration as mentioned in the Explanatory Statement.
(6)	<b>Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin).</b>	Though the exact latest data of the comparative profile with remuneration of CEO/MD/Key Managerial Personnel of Financial Services Companies is not available, however generally the CEO's/MDs/Key Managerial Personnel of financial services/NBFC Companies of comparable status are generally receiving remuneration above Rs. 100 lacs per annum.
(7)	<b>Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.</b>	He does not have any other pecuniary relationship with the Company nor is he related to or has pecuniary relationship with any of the Directors of the Company.

**III. OTHER INFORMATION:**

(1)	<b>Reasons of loss or inadequate profits</b>	The Divestment / Investment activity of the Company was curtailed due to extreme volatile market conditions.
(2)	<b>Steps taken or proposed to be taken for improvement</b>	The process of improving the profitability is an ongoing process which shall be adhered to by taking the following steps:- <ul style="list-style-type: none"> <li>Professionalise the management of operations.</li> <li>Additional recruitment of staff in areas of investment management, research, operations and new business development.</li> <li>Review current HR &amp; compensation policies and bring them in line with market practice.</li> <li>Review and modify current accounting and investment management systems, processes and controls as well as the IT systems supporting them.</li> <li>Reduce concentration risk of the investment portfolio, exit from all non remunerative investments except where there is a strategic intent and also appoint professional outside money managers for a part of the portfolio to inject competition and external benchmarking.</li> </ul>
(3)	<b>Expected increase in productivity and profits in measurable terms.</b>	Increased return on the Investment Portfolio leading to enhanced Stakeholder's value.

**IV. DISCLOSURES:**

Remuneration package payable to Mr. Anil Goyal, Managing Director of the Company has been disclosed in the commencing paragraph of this Explanatory Statement.

All elements of remuneration package to all Directors are disclosed in the Corporate Governance Report.

None of the Directors and Key Managerial Personnel (KMP) including relatives of Directors or KMP other than Mr. Anil Goyal, Managing Director himself is concerned or interested, financially or otherwise in the resolution.

The Board recommends the Special Resolution at Item No. 6 of the Notice for the approval of the members.

**BY ORDER OF THE BOARD  
For HB PORTFOLIO LIMITED**

**Sd/-  
DINESH KAPOOR  
(Company Secretary)  
Membership No.: FCS-6731**

**Place : Gurgaon  
Date : 28th May, 2015**



## DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 20th Annual Report together with the Audited Statements of Accounts for the year ended 31st March, 2015.

### FINANCIAL RESULTS

The summarized financial results of the Company during the year under review are as under:-  
(₹ in Lacs)

PARTICULARS	Year Ended 31.03.2015	Year Ended 31.03.2014
Total Turnover	281.11	815.26
Gross Profit/(Loss)	146.22	687.18
<b>Less :</b>		
(a) Depreciation	3.84	3.57
(b) Finance Cost	27.14	21.66
(c) Provision for Income Tax	34.67	149.32
<b>Net Profit /(Loss)</b>	<b>80.57</b>	<b>512.63</b>
<b>Appropriations</b>		
Statutory Reserve Fund	16.11	102.52
General Reserve	NIL	40.00
Proposed Dividend	59.96	179.88
Tax on Dividend	12.27	30.57
Balance Brought Forward	1101.38	941.74
Accumulated Profits	1093.61	1101.38

### DIVIDEND

In view of the decrease in profitability of the Company, your directors are please to recommend dividend @ Rs 0.50 per equity share (5%) after providing for depreciation for the year under review. Payment of dividend is subject to the approval of the Shareholders at the ensuing Annual General Meeting.

### PERFORMANCE REVIEW & OUTLOOK

During the year, the BSE sensitive Index was at 22455 at the start of the financial year and ended at 27957 on 31st March, 2015. The year was marked by high volatility in the stock market. As a result, the Divestment / Investment activity of the Company was curtailed during the year and the Company posted a Gross profit of ₹ 146.22 Lacs as compared to ₹ 687.18 Lacs in the previous year. Net profit after tax for the year under review was ₹ 80.57 Lacs as compared to ₹ 512.63 Lacs in the previous year.

In the financial year 2014-2015, Indian economic growth rose to 5.2% from 4.7% last year as a result of the improving macro-economic situation. Falling oil prices, lower food and commodity prices and the proactive measures taken by the Government helped in containing inflation in 2014.

The low economic growth appears to have bottomed out and a gradual increase in economic activity is expected in 2015. The medium term to long term growth prospects look positive in view of the Government's determination to bring in reforms. For the year 2015, the economy is expected to grow at a higher rate than in 2014. The long term prospect for the economy is optimistic.

Industry trends and its future prospects have been summed up in the Management Discussion and Analysis Report which forms part of this report.

### NBFC REGISTRATION WITH RESERVE BANK

The Company submitted the fresh application along with required documents / information on 19th March, 2014. The information / clarifications sought thereafter by RBI have also been submitted by the Company.

The Managing Director met GM-DNBS (RBI) on 02nd September, 2014 in connection with the pending application of registration and was informed that the application is under consideration for registration and shall be disposed off as per the directive of RBI Central office, Mumbai. RBI has also issued letter dated 03rd September, 2014 informing that the Company's application is under consideration. There has been no further communication by RBI till date. The Company Secretary has been rigorously following up the matter with the RBI.

RBI vide its Notification Dated 27th March, 2015 has issued "Non-Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 which came into force with immediate effect. With this revision in the threshold for systemic significance, the Company would be categorized as a Non-Systematically Important NBFC on being granted the Certificate of Registration.

### STATUTORY STATEMENTS

#### (i) Share Capital

The Paid up Equity Share Capital as on 31st March, 2015 stood at ₹ 11,99,23,290 comprising of 1,19,92,329 Equity Shares of ₹ 10/- each. During the year under review, the Company has neither issued any Shares with differential voting rights nor granted stock options nor sweat equity.

The Shareholding of Directors of the Company (including Promoter Director) is given in the Corporate Governance Report forming part of this report.

#### (ii) Number of meeting(s) of the Board

During the year under review, four Board Meetings were convened and held. The details of such meeting(s) are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

#### (iii) Public Deposits

The Company has not accepted any deposits from the public under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

#### (iv) Significant and other material orders passed by the regulators or courts

There are no significant material orders passed by the Regulators or Courts or Tribunal during the year under review which has an impact on the Going Concern status and Company's operations in future.

#### (v) Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

#### (vi) Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rules 8 of the Companies (Accounts) Rules 2014 in respect of conservation of energy and technology absorption are not applicable to your Company.

The total foreign exchange earnings during the year under review and previous period is NIL and total foreign exchange out go during the year under review and the previous period is NIL.

### STATEMENT PURSUANT TO LISTING AGREEMENT

The Company's equity shares are listed at Bombay Stock Exchange Limited (BSE), Mumbai. The listing fee for the year under review has been paid to BSE.

### DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to sub-section (3)(c) & (5) of Section 134 of the Companies Act, 2013, it is hereby stated that:

- in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the directors have 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 or loss of the Company for that period;
- the directors have 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;
- the Directors had prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

#### (i) Subsidiaries

HB Corporate Services Limited and HB Securities Limited are the Wholly Owned Subsidiaries of the Company. A separate statement containing the salient features of the Financial Statement of the Company's Subsidiaries is being provided in **Form AOC-1** along with Financial Statements in terms of Section 129(3) of the Companies Act, 2013. The Financial Statements of the Subsidiary Companies will be made available upon request by any member of the Company interested in obtaining the same. The Financial Statements of the Subsidiary Companies will also be kept for inspection by any member of the Company at its registered office. No Company has become or ceased to be Company's Subsidiary during the year under review.

The Board of Directors has approved a Policy for Determining Material Subsidiaries in compliance with the provisions of Clause 49 of the Listing Agreement. The said policy has been uploaded on the website of the Company viz. [www.hbportfolio.com](http://www.hbportfolio.com) having following web link, [www.hbportfolio.com/Investor Information/Corporate Governance](http://www.hbportfolio.com/Investor%20Information/Corporate%20Governance).

#### (ii) Joint Ventures

The Company is not having any Joint Venture business and no Company has become its Joint Venture during the year under review.

#### (iii) Associate Companies

In terms of Sec 2(6) of the Companies Act, 2013, Taurus Asset Management Co. Limited, Taurus Investment Trust Co. Limited, HB Insurance Advisors Limited and Merwanjee Securities Limited are the Associate Companies. During the year under review, M/s. Pisces Portfolios Private Limited, one of the Associate Company has got merged with HB Estate Developers Limited and the Company has been allotted fully paid up Equity Shares in consideration of the same. The merged entity does not qualify to be an Associate Company. A separate statement containing the salient features of the Financial Statement of the Company's Associates is being provided in **Form AOC-1** along with Financial Statements in terms of Section 129(3) of the Companies Act, 2013. Except that there has been no change in the status of Associate Companies.



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under Clause 49 of the Listing Agreement with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report.

**CORPORATE GOVERNANCE**

As per Clause 49 of the Listing Agreement with the Stock Exchange, a report on the Corporate Governance together with the Certificate from the Company's Statutory Auditor's confirming compliance(s) forms an integral part of this report.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Board of Directors has constituted a Corporate Social Responsibility Committee (CSR Committee) pursuant to the provisions of Section 135 of the Companies Act, 2013. The composition of the CSR Committee has been mentioned in the Corporate Governance Report forming part of this report. The Board of Directors, on the recommendation of the CSR Committee, has approved the Corporate Social Responsibility Policy (CSR Policy) of the Company and disclosed its contents in "ANNEXURE – I" forming part of this report. The CSR Policy has also been uploaded on the website of the Company viz. www.hbportfolio.com having following web link, [www.hbportfolio.com/Investor Information/CSR](http://www.hbportfolio.com/Investor Information/CSR).

**WHISTLE BLOWER POLICY - VIGIL MECHANISM**

In terms of the provisions of Sec 177(9) & (10) of the Companies Act, 2013 and pursuant to the provisions of Clause 49 of the Listing Agreement, a Vigil Mechanism for Stakeholders, Employees and Directors of the Company has been established. The Whistle Blower Policy duly approved by the Board of Directors has been uploaded on the website of the Company viz. [www.hbportfolio.com](http://www.hbportfolio.com) having following web link, [www.hbportfolio.com/Investor Information/Corporate Governance](http://www.hbportfolio.com/Investor Information/Corporate Governance).

**RELATED PARTY TRANSACTIONS**

The Related Party Transactions that were entered during the financial year under review were on arm's length basis and were in the ordinary course of business. There were no materially significant Related Party Transactions entered into by the Company during the year under review. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The Board of Directors, on the recommendation of the Audit Committee, has approved a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the Rules made there under and Clause 49 of the Listing Agreement. The Policy on Related Party Transactions has been uploaded on the website of the Company viz. [www.hbportfolio.com](http://www.hbportfolio.com) having following web link, [www.hbportfolio.com/Investor Information/Corporate Governance](http://www.hbportfolio.com/Investor Information/Corporate Governance).

**DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY**

The Board of Directors has adopted the Risk Management Policy which sets out the framework for the management of risks faced by the Company in the conduct of its business to ensure that all business risks are identified, managed and monitored. The contents of Risk Management Policy have been included in Management Discussion and Analysis forming part of this report.

**INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY**

The Company has proper and adequate system of internal controls. The information about Internal Controls is set out in the Management Discussion and Analysis forming part of this report.

**INTERNAL FINANCIAL CONTROLS**

The Company has established Internal Financial Control System for ensuring the orderly and efficient conduct of the business including adherence to Company's policies, the safeguarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable Financial Statements.

**DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

During the financial year 2014-2015, the Company has not received any complaints on sexual harassment.

**AUDITORS**

**(i) Statutory Auditors**

M/s. P. Bholusaria & Co., Chartered Accountants, New Delhi (Firm Registration No.: 000468N), the Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. The Company has received a letter from them to the effect that their re-appointment, if made would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and they are not disqualified for re-appointment. Observations of the Statutory Auditors are explained, wherever necessary, by way of notes to accounts.

**(ii) Internal Auditors**

M/s. M.K. Choudhary & Co., Chartered Accountants, New Delhi performs the duties of the Internal Auditors of the Company and their report is reviewed by the Audit Committee from time to time.

**(iii) Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company

has appointed Mr. A.N. Kukreja, Proprietor, M/s. A.N. Kukreja & Co., Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is enclosed as a part of this report as "ANNEXURE - II".

The Secretarial Auditors have made following observations in their Secretarial Audit Report:

- (a) The Company does not have a Chief Financial Officer (CFO), as required under Section 203 of the Companies Act, 2013.

**Director's Comment:** The management is searching for suitable candidate for the post of Chief Financial Officer (CFO) of the Company in order to comply with the provisions of Section 203 of the Companies Act, 2013.

- (b) The Company could not spend the eligible profit on Corporate Social Responsibility (CSR) measures. However, the Company has constituted the CSR Committee as per applicable provisions of the Act.

**Director's Comment:** The Company has earmarked the expenditure for CSR activities for the financial year 2014-2015 as recommended by the CSR Committee and approved by the Board of Directors of the Company. The Company wanted to spend the amount on its own by undertaking the projects, programs or activities as specified in Schedule VII of the Companies Act, 2013. However the Company could not undertake the activities due to shortage of time in implementing the same. The Company will contribute the amount earmarked for the year 2014-2015 during the financial year, 2015-2016. Accordingly, the Annual Report on the CSR activities has not been included in this report.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

**(a) Appointment / Re-appointment / Resignation of Directors and KMP**

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Anil Goyal, Managing Director shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee appointed Mrs. Anita Jain as an Additional Director (Independent Non-Executive) in terms of Sec 161(1) of the Companies Act, 2013 w.e.f. 31st March, 2015 who holds office up to the date of this Annual General Meeting and being eligible offer herself for re-appointment as Director. Mrs. Anita Jain fulfills the criteria of Independent Director as specified in Sec 149(6) of the Companies Act, 2013 and the Rules made there under. The Company has received requisite notice in writing from a member proposing her appointment as an Independent Director. Your Directors state that Mrs. Anita Jain possesses appropriate balance of skills, expertise and knowledge and is qualified for appointment as an Independent Director. The Board of Directors recommends appointment of Mrs. Anita Jain as an Independent Director (Non-Executive) of the Company for a term of five years from the date of this Annual General Meeting and she shall not be liable to retire by rotation.

The Company has also received declarations from all the Independent Director(s) confirming that they meet with the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchange.

Mr. Dinesh Kapoor has been appointed as the Company Secretary w.e.f 16th April, 2014 being the Key Managerial Personnel in place of Mrs. Nishu Tomar, Company Secretary who has resigned w.e.f 15th April, 2014.

**(b) Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an Annual performance evaluation of its own performance and of all the Directors individually as well as the evaluation of the working of Audit, Nomination & Remuneration and other Compliance Committees. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

**(c) Nomination and Remuneration Policy**

The Board of Directors, on the recommendation of the Nomination & Remuneration Committee, has approved a policy for selection, appointment & remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management employees of the Company. The said policy is enclosed as a part of this report as "ANNEXURE - III".

**(d) Remuneration of the Directors / Key Managerial Personnel (KMP) and Particulars of Employees**

The provisions of Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable, as there are no such employee who were drawing / in receipt of remuneration of prescribed amount during the period under review.

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors / Key Managerial Personnel (KMP) and Employees of the Company is furnished hereunder:

- (i) the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year &
- (ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.





Sr. No	Name	Category	Ratio/Times per Median of employee remuneration	% Increase in remuneration
1.	Mr. Anil Goyal	Managing Director (Executive)	7.16	NIL
2.	Mr. Lalit Bhasin	Director (Non-Executive)	NIL	NIL
3.	Mr. Jagmohan Lal Suri	Director (Non-Executive)	NIL	NIL
4.	Mr. Raj Kumar Bhargava	Director (Non-Executive)	NIL	NIL
5.	Mr. Ramesh Chandra Sharma	Director (Non-Executive)	NIL	NIL
6.	Mr. Bhuneshwar Lal Chadha	Director (Non-Executive)	NIL	NIL
7.	Mrs. Anita Jain	Director (Non-Executive)	NIL	NIL
8.	Mr. Dinesh Kapoor (w.e.f 16.04.2014)	Company Secretary		NIL
9.	Mrs. Nishu Tomar (Up to 15.04.2014)	Company Secretary		NIL

The Non-Executive Directors are paid only sitting fees for attending meeting of the Board of Directors and the Committees constituted by the Board.

(iii) the number of permanent employees on the rolls of Company.

**Four**

(iv) the explanation on the relationship between average increase in remuneration and Company performance.

**Not Applicable**

(v) comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.

Particulars	(₹ Lacs)
Remuneration of Key Managerial Personnel (KMP) (aggregated)	63.51
Total Revenue	281.11
Remuneration (as % of revenue)	22.59%
Profit Before Tax (PBT)	115.25
Remuneration (as % of PBT)	55.11%

(vi) variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year.

Particulars	As at 31st March, 2015	As at 31st March, 2014	Variation
Closing rate of Share (BSE) (₹)	20.50	18.00	13.89%
EPS (Consolidated) (₹)	(3.69)	1.01	(265.35%)
Market Capitalization (₹/Lacs)	2458.43	2158.62	13.89%
Price Earning ratio	5.56	17.82	(68.80)%

(vii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

**Nil**

(viii) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company.

Particulars	(₹ Lacs)	
	Managing Director	Company Secretary*
Remuneration	51.22	12.29
Revenue	281.11	281.11
Remuneration (as % of revenue)	18.22%	4.37%
Profit Before Tax (PBT)	115.25	115.25
Remuneration (as % of PBT)	44.44%	10.67%

\* Aggregate remuneration of Ms. Nishu Tomar, Company Secretary (Up to 15.04.2014) and Mr. Dinesh Kapoor, Company Secretary (w.e.f 16.04.2014).

(ix) the key parameters for any variable component of remuneration availed by the directors.  
**Nil**

(x) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.  
**None**

(xi) The remuneration paid to the Directors / Key Managerial Personnel (KMP) is in accordance with the remuneration policy of the Company.

**EXTRACT OF ANNUAL RETURN**

The extract of Annual Return as provided under sub-section (3) of Section 92 in Form MGT-9 is enclosed as a part of this report as "ANNEXURE - IV".

**ACKNOWLEDGMENTS**

Your Directors wish to thank and acknowledge the co-operation, assistance and support extended by the Banks, Company's Shareholders and Employees.

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**LALIT BHASIN**  
(Chairman)  
DIN: 00002114

Place : Gurgaon  
Date : 28th May, 2015

## CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

### 1. PREAMBLE:

The Board of Directors (the “Board”) of HB Portfolio Limited (the “Company” or “HBPL”) in their meeting held on 10th February, 2015 has approved the following Corporate Social Responsibility Policy (CSR Policy) on the recommendation of the Corporate Social Responsibility Committee (CSR Committee) of the Board of Directors as per the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 as may be amended from time to time. This Policy is effective from 10th February, 2015.

### 2. SHORT TITLE & APPLICABILITY:

- 2.1 The CSR Policy of HB Portfolio Limited (“the Company”) encompasses its philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large.
- 2.2 This Policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of different segments of the Society.

### 3. THE COMPANY’S APPROACH TOWARDS CORPORATE SOCIAL RESPONSIBILITY:

- 3.1 The approach of the Company towards Corporate Social Responsibility would be oriented to identify the activities in response to felt societal needs in diverse areas and to implement them with full involvement and commitment in a time bound manner. The Company will provide financial assistance in the form of grant-in-aid assistance and corpus fund support etc. to support, supplement and improve the quality of life of different segments of the Society.
- 3.2 As a responsible corporate entity, the Company will consistently strive for opportunities to meet the expectation of its Stakeholders by pursuing the concept of sustainable development with focus on the social welfare activities.
- 3.3 The Companies Act, 2013 provides that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR. The Company will thus give preference to conduct CSR activities in the State of Haryana and such other place(s) in India wherein the Company has/will have its operations.
- 3.4 The Company may also collaborate with other Companies for undertaking CSR activities in such manner as the CSR Committee may decide in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

### 4. ACTIVITIES UNDER CORPORATE SOCIAL RESPONSIBILITY:

The Company would endeavor to adopt an integrated approach to address the community, societal & environmental concerns by taking one or more of the following activities, which shall be taken up strategically, in a focused manner within India only to the extent possible and allowed as per Section 135 of the Companies Act, 2013 and the applicable rules and regulations as may be prescribed in this regard, including any modification(s) thereof.

- (i) Eradicating hunger, poverty, malnutrition, promoting preventive healthcare and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- (ii) Promotion of education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the different abled and livelihood enhancement projects;
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) Ensuring environmental sustainability, ecological balance protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;
- (vi) Measures for the benefit of armed forces veterans, war widows and their dependants;
- (vii) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- (viii) Contribution to the Prime Minister’s National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by Central Government;
- (x) Rural development projects;
- (xi) Such other matters as may be prescribed by the Central Government and approved by the Board of Directors / CSR Committee, as the case may be.

### 5. IMPLEMENTATION MECHANISM

The Company would consider the following broad parameters while identifying / selecting the schemes / projects:

- 5.1 The assistance under CSR activities may be in the form of donation, grant-in-aid assistance and corpus fund support so as to create social impact and visibility.
- 5.2 While implementing the identified activities, time frames and milestones may be predefined.
- 5.3 The CSR projects may be based on fundamentals of sustainable development.
- 5.4 In line with the Companies Act, 2013, donation based assistance / grants, should not be less than limits as may be prescribed by the Central Government/ Ministry of Corporate Affairs from time to time.
- 5.5 Proper screening, checks and balances shall be ensured while sanctioning the CSR proposals.

### 6. PLANNING AND COORDINATION

- 6.1 The CSR Committee will prepare an annual plan for CSR activities for each year and will place the same before the Board of Directors for approval, as the case may be.
- 6.2 The focus of benefits will be in line with the activities mentioned in this document and as per programs, projects and schemes approved.

### 7. MONITORING AND EVALUATION

- 7.1 Regular update on the CSR initiatives undertaken and / or to be undertaken shall be given to the CSR Committee. The Company may also depute one or more employees who shall monitor the CSR initiatives of the Company and report the same to the CSR Committee. The impact of the CSR activities may be quantified to the extent possible. The Chairman of CSR Committee shall draw a time frame from the date of initiation. In case of any delay noticed while monitoring the CSR initiatives, remedial measures shall be taken for timely completion of the activities.
- 7.2 The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee / external consultant or such other person(s) as may be deemed expedient for the purpose of accomplishments of CSR activities.

### 8. ALLOCATION OF FUNDS

A total allocation of amount as prescribed by the Companies Act, 2013 and approved by the Board will be earmarked every year for implementation of CSR activities.

### 9. REPORTING

An Annual Report of the activities undertaken under the CSR initiatives will be prepared as per specified format and the same shall be submitted to the Board of Directors for its inclusion in their Board’s Report and on the website of the Company.

### 10. GENERAL

- 10.1. The surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company;
- 10.2 In case of any doubt with regard to any provision of this Policy and also in respect of matters not covered herein, a reference to be made to the CSR Committee.
- 10.3. Any or all provisions of the CSR Policy would be subject to revision / amendment in accordance with the Companies Act, 2013, rules and regulations as may be prescribed by the Central Government, from time to time.
- 10.4. The CSR Committee reserves the right to modify, cancel, add, or amend the Policy at any time subject to the approval of the Board of Directors.



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015**  
**Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

To,  
**The Members of**  
**HB Portfolio Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HB Portfolio Limited** CIN: **L67120HR1994PLC034148** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of **HB Portfolio Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the **Financial Year ended on 31st March, 2015** complied with statutory provisions listed hereunder and also that the Company has proper Board - processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings\*.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009\*;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999\*.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008\*;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009\*;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998\*.
- (vi) Reserve Bank of India Act, 1934 and applicable NBFC directions (Complied with to a limited extent on voluntary basis as the Certificate of Registration is yet to be granted by the RBI).
- (vii) Prevention of Sexual Harassment of Women at Workplace (Prohibition and Redressal) Act, 2013.

\* Foreign Exchange Management Act, 1999 and the rules and regulations at sub-para (iv), SEBI Regulations listed at sub-para (v) Serial Nos. (c), (d), (e), (g) and (h) above are not applicable to the Company for 2014-15 as there were no corporate decisions / actions attracting these regulations.

2. We have also examined the compliances with the applicable clauses of the Listing Agreement entered into by the Company with the Bombay Stock Exchange Limited (BSE). The Secretarial Standards issued by the ICSI are not applicable for the financial year 2014-15.

3. During the period under review the Company has complied with the provisions of the Act and the Rules, Regulations, Guidelines etc. mentioned above subject to the following observations:

- (a) *The Company does not have a Chief Financial Officer (CFO), as required under Section 203 of the Companies Act, 2013.*
- (b) *The Company could not spend the eligible profit on Corporate Social Responsibility (CSR) measures. However, the Company has constituted the CSR Committee as per applicable provisions of the Act.*

4. **We further report that:**

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors, Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  - (b) Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and Detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - (c) Majority decision is carried through while dissenting members' views are captured and recorded as part of the minutes.
5. **We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. **We further report that** during the audit period, no major decisions have been taken which have a bearing on Company's affairs in pursuance of the above referred laws, rules / regulations except the following:
- (a) The Company has taken fresh approval from the Shareholders at the Annual General Meeting (AGM) held on 16th September, 2014 under Section 180(1)(c) of the Companies Act, 2013 for the borrowing powers of the Board up to Rupees 200 Crores only.

This report is to be read with our letter of even date which is annexed as **Annexure 'A'** and forms an integral part of this report.

**For A.N. Kukreja & Co.**  
**Company Secretaries**

Sd/-

A.N. Kukreja  
 (Proprietor)

**Place : New Delhi**  
**Date : 28th May, 2015**

FCS 1070; CP 2318

**Annexure - 'A'**

To,  
**The Members of**  
**HB Portfolio Limited**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. During the course of our examination of the books and records of the Company carried out in accordance with generally accepted practices in India, we have neither come across any instance of fraud on or by the Company, nor the Company has noticed and reported any such case during the year and accordingly the Company has not informed us of any such case.

**For A.N. Kukreja & Co.**  
**Company Secretaries**

Sd/-

A.N. Kukreja  
 (Proprietor)

**Place : New Delhi**  
**Date : 28th May, 2015**

FCS 1070; CP 2318

## NOMINATION AND REMUNERATION POLICY

### 1. PREAMBLE:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company, this policy on nomination and remuneration of Directors, KMP and Senior Management has been formulated by the Nomination and Remuneration Committee ("NRC / Committee") and approved by the Board of Directors of the Company at their meeting held on 10th February, 2015 (effective from 01st October, 2014) in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement.

### 2. OBJECTIVE:

The Objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP and Senior Management. The Key Objectives of the Committee would be:

- 2.1. To guide the Board in relation to appointment and removal of Directors, KMP and Senior Management.
- 2.2. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors, KMP and Senior Management.
- 2.3. Formulation of criteria for evaluation of Independent Director and the Board.
- 2.4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 2.5. To recommend to the Board on Remuneration payable to the Directors, KMP and Senior Management.
- 2.6. To provide to KMP and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 2.7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 2.8. To develop a succession plan for the Board and to regularly review the plan.
- 2.9. To assist the Board in fulfilling responsibilities.
- 2.10 To implement and monitor policies and processes regarding principles of corporate governance.

### 3. DEFINITIONS:

"Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

"Board" means Board of Directors of the Company.

"Directors" mean Directors of the Company both executive and non-executive.

"Key Managerial Personnel (KMP)" means

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. such other officer as may be prescribed.

"Senior Management" means the personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

### 4. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT:

#### A. Appointment Criteria and Qualifications

- (I) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- (II) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- (III) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### B. Term / Tenure

##### (I) Managing Director / Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

##### (II) Independent Director:

- a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- b) No Independent Director shall hold office for more than two consecutive terms of upto maximum of five years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to

become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- c) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

#### C. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

#### D. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

#### E. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### 5. REMUNERATION TO DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / SENIOR MANAGEMENT PERSONNEL:

The Committee to recommend to the Board on Remuneration payable to the Directors, KMP and Senior Management Personnel of the Company.

- a) The Remuneration / Compensation / Commission etc. to be paid to Managing Director, Whole-time / Executive Director, Non-Executive Director / Independent Directors, KMP shall be governed as per applicable provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- b) The Non-Executive / Independent Director may receive remuneration by way of sitting fee for attending the meeting of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- c) The remuneration payable to Senior Management Personnel shall be governed by the Company's HR Policy.

### 6. DUTIES IN RELATION TO NOMINATION MATTERS:

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the guidelines provided under the Companies Act, 2013;
- c) Identifying and recommending Directors who are to be put forward for retirement by rotation;
- d) Determining the appropriate size, diversity and composition of the Board;
- e) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- f) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- g) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- h) Delegating any of its powers to one or more members of the Committee;
- i) Recommend any necessary changes to the Board; and
- j) Considering any other matters, as may be requested by the Board.

### 7. DUTIES IN RELATION TO REMUNERATION MATTERS:

The duties of the Committee in relation to remuneration matters include:

- a) Considering and determining the remuneration based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- b) Approving the remuneration of the Senior Management including KMP of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- c) Delegating any of its powers to one or more members of the Committee.
- d) Considering any other matters as may be requested by the Board.

### 8. REVIEW AND AMENDMENT:

- a) The Committee or the Board may review the policy as and when it deems necessary.
- b) The Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.
- c) This policy may be amended or substituted by the Committee or by the Board as and when required and also by the Company Secretary where there is any statutory changes necessitating the change in the policy.

**FORM NO. MGT – 9**  
**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31st March, 2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014

**I. REGISTRATION & OTHER DETAILS:**

i.	CIN	L67120HR1994PLC034148
ii.	Registration Date	18th August, 1994
iii.	Name of the Company	HB Portfolio Limited
iv.	Category/Sub-Category of the Company	Company having Share Capital
v.	Address of the Registered office & contact details	Plot No. 31, Echelon Institutional Area, Sector-32, Gurgaon – 122001, Haryana Phone: 0124-4675500, Fax : 0124-4370985 Email : corporate@hbportfolio.com, Website: www.hbportfolio.com
vi.	Whether listed company	Yes (Listed at BSE)
vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	RCMC Share Registry Pvt. Ltd. B-25/1, First Floor, Okhla Industrial Area, Phase-II, New Delhi – 110 020 Phone: 011-26387320, 21, 23, Fax: 011-26387322, Email: shares@rcmcdelhi.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name & Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Dealing in Securities & other Financial Assets.	6430	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:**

Sl. No.	Name & Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1.	HB Corporate Services Limited Plot No. 31, Echelon Institutional Area, Sector 32, Gurgaon – 122 001, Haryana	U74999HR1999PLC041545	Subsidiary	100.00	2(87)(ii)
2.	HB Securities Limited H-72, Connaught Circus, New Delhi – 110 001	U67120DL1991PLC044025	Subsidiary	100.00	2(87)(ii)
3.	Taurus Asset Management Co. Limited 305, Regent Chambers, 208, Jammalal Bajaj Marg, Nariman Point, Mumbai – 400 021, Maharashtra	U67190MH1993PLC073154	Associate	50.00	2(6)
4.	Taurus Investment Trust Company Limited 305, 3rd Floor, Regent Chambers, 208, Jammalal Bajaj Marg, Nariman Point, Mumbai – 400 021, Maharashtra	U65990MH1993PLC072984	Associate	50.00	2(6)
5.	HB Insurance Advisors Limited H-72, Connaught Circus, New Delhi – 110 001	U74899DL1994PLC060764	Associate	39.96	2(26)
6.	Merwanjee Securities Limited 301, Regent Chambers, 208, Jammalal Bajaj Marg, Nariman Point, Mumbai – 400 021, Maharashtra	U67120MH1992PLC069529	Associate	48.00	2(26)

**IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of total Equity):**

**(i) Category-wise Shareholding:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total Shares	% of Total	Demat	Physical	Total Shares	% of Total	
<b>A. PROMOTERS</b>									
<b>(1) Indian</b>									
a) Individual / HUF	77,24,304	0	77,24,304	64.41	77,24,304	0	77,24,304	64.41	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	1,34,160	0	1,34,160	1.12	1,34,160	0	1,34,160	1.12	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL: (A) (1)</b>	<b>78,58,464</b>	<b>0</b>	<b>78,58,464</b>	<b>65.53</b>	<b>78,58,464</b>	<b>0</b>	<b>78,58,464</b>	<b>65.53</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRI-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL: (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>78,58,464</b>	<b>0</b>	<b>78,58,464</b>	<b>65.53</b>	<b>78,58,464</b>	<b>0</b>	<b>78,58,464</b>	<b>65.53</b>	<b>0.00</b>





Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total Shares	% of Total	Demat	Physical	Total Shares	% of Total	
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	1275	1275	0.01	175	1100	1275	0.01	0.00
b) Banks / FI	0	25	25	0.00	0	25	25	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>1300</b>	<b>1300</b>	<b>0.01</b>	<b>175</b>	<b>1125</b>	<b>1300</b>	<b>0.01</b>	<b>0.00</b>
<b>(2) Non Institutions</b>									
a) Bodies Corporate									
i) Indian	2,61,452	19,040	2,80,492	2.34	2,93,614	18,977	3,12,591	2.61	0.27
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakhs	14,00,429	19,70,213	33,70,642	28.11	14,43,621	19,34,195	33,77,816	28.16	0.05
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakhs	3,68,467	0	3,68,467	3.07	3,32,351	0	3,32,351	2.77	(0.30)
c) Other (specify)									
i) Clearing Members	5,051	0	5,051	0.04	10,265	0	10,265	0.09	0.05
ii) Non-Residents	44,744	63,169	1,07,913	0.90	36,598	62,944	99,542	0.83	(0.07)
<b>SUB TOTAL (B)(2):</b>	<b>20,80,143</b>	<b>20,52,422</b>	<b>41,32,565</b>	<b>34.46</b>	<b>21,16,449</b>	<b>20,16,116</b>	<b>41,32,565</b>	<b>34.46</b>	<b>0.00</b>
<b>TOTAL PUBLIC SHAREHOLDING(B)=(B)(1)+(B)(2)</b>	<b>20,80,143</b>	<b>20,53,722</b>	<b>41,33,865</b>	<b>34.47</b>	<b>21,16,624</b>	<b>20,17,241</b>	<b>41,33,865</b>	<b>34.47</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>99,38,607</b>	<b>20,53,722</b>	<b>1,19,92,329</b>	<b>100.00</b>	<b>99,75,088</b>	<b>20,17,241</b>	<b>1,19,92,329</b>	<b>100.00</b>	<b>0.00</b>

(ii) Shareholding of Promoters:

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1.	Lalit Bhasin	74,24,304	61.90	0.00	74,24,304	61.90	0.00	0.00
2.	HB Stockholdings Limited	1,00,000	0.83	0.00	1,00,000	0.83	0.00	0.00
3.	Ayush Kapur	75,000	0.63	0.00	75,000	0.63	0.00	0.00
4.	Kanishk Kapur	75,000	0.63	0.00	75,000	0.63	0.00	0.00
5.	Manasvin Arora	75,000	0.63	0.00	75,000	0.63	0.00	0.00
6.	Mehar Arora	75,000	0.63	0.00	75,000	0.63	0.00	0.00
7.	RRB Master Holdings Limited	34,160	0.28	0.00	34,160	0.28	0.00	0.00
	<b>Total</b>	<b>78,58,464</b>	<b>65.53</b>	<b>0.00</b>	<b>78,58,464</b>	<b>65.53</b>	<b>0.00</b>	<b>0.00</b>

(iii) Change in Promoters' Shareholding (Please specify, if there is no change):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	At the beginning of the year				
2.	Date wise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease. (e.g. allotment/transfer/bonus/sweat equity etc.)	No changes in Promoters Shareholding during the year			
3.	At the end of the year				



(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):

Sl. No.	For Each of the Top Ten Shareholders (From 01/04/2014 to 31/03/2015)	Buy / Sell	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	
1.	<b>SUJATA HOLDINGS PRIVATE LIMITED</b>						
	At the beginning of the year		1,53,005	1.28	1,53,005	1.28	
	At the end of the year				1,53,005	1.28	
2.	<b>VICTOR FERNANDES</b>						
	At the beginning of the year		1,05,628	0.88	1,05,628	0.88	
	At the end of the year				1,05,628	0.88	
3.	<b>SURESH CHANDRA GUPTA</b>						
	At the beginning of the year		68,501	0.57	68,501	0.57	
	11/04/2014	Sell	(-)340	0.00	68,161	0.57	
	18/04/2014	Sell	(-)2,167	0.02	65,994	0.55	
	25/04/2014	Sell	(-)13,493	0.11	52,501	0.44	
	02/05/2014	Sell	(-)14,887	0.12	37,614	0.31	
	09/05/2014	Sell	(-)5,114	0.04	32,500	0.27	
	13/06/2014	Buy	6,500	0.05	39,000	0.33	
	20/06/2014	Buy	950	0.01	39,950	0.33	
	30/06/2014	Sell	(-)3,268	0.03	36,682	0.31	
	04/07/2014	Buy	3,500	0.03	40,182	0.34	
	11/07/2014	Sell	(-)5,492	0.05	34,690	0.29	
	18/07/2014	Sell	(-)771	0.01	33,919	0.28	
	25/07/2014	Sell	(-)1,734	0.01	32,185	0.27	
	01/08/2014	Sell	(-)2,761	0.02	29,424	0.25	
	08/08/2014	Buy	8,339	0.07	37,763	0.31	
	15/08/2014	Sell	(-)7,763	0.06	30,000	0.25	
	22/08/2014	Sell	(-)11,179	0.09	18,821	0.16	
	29/08/2014	Sell	(-)13,821	0.12	5,000	0.04	
	05/09/2014	Sell	(-)5,000	0.04	0	0.00	
	30/09/2014	Buy	75	0.00	75	0.00	
	17/10/2014	Sell	(-)75	0.00	0	0.00	
	At the end of the year				0	0.00	
4.	<b>PADMA DEVI GUPTA</b>						
	At the beginning of the year		41,000	0.34	41,000	0.34	
	04/04/2014	Buy	3,000	0.03	44,000	0.37	
	11/04/2014	Buy	3,500	0.03	47,500	0.40	
	25/04/2014	Sell	(-)808	0.01	46,692	0.39	
	02/05/2014	Sell	(-)11,692	0.10	35,000	0.29	
	09/05/2014	Sell	(-)3,775	0.03	31,225	0.26	
	16/05/2014	Sell	(-)6,791	0.06	24,434	0.20	
	23/05/2014	Sell	(-)9,434	0.08	15,000	0.13	
	30/05/2014	Buy	1,793	0.01	16,793	0.14	
	06/06/2014	Buy	4,207	0.04	21,000	0.18	
	13/06/2014	Sell	(-)8,960	0.07	12,040	0.10	
	20/06/2014	Buy	2,000	0.02	14,040	0.12	
	30/06/2014	Sell	(-)540	0.00	13,500	0.11	
	25/07/2014	Buy	1,000	0.01	14,500	0.12	
	01/08/2014	Sell	(-)14,500	0.12	0	0.00	
	08/08/2014	Buy	5,000	0.04	5,000	0.04	
	22/08/2014	Sell	(-)5,000	0.04	0	0.00	
	At the end of the year				0	0.00	
	5.	<b>B S KUMARA SWAMY</b>					
		At the beginning of the year		37,717	0.31	37,717	0.31
At the end of the year				37,717	0.31		



Sl. No.	For Each of the Top Ten Shareholders (From 01/04/2014 to 31/03/2015)	Buy / Sell	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
6.	<b>RAJESH JAIN</b>					
	At the beginning of the year		<b>32,801</b>	<b>0.27</b>	32,801	0.27
	16/01/2015	Sell	(-)807	0.01	31,994	0.27
	At the end of the year				<b>31,994</b>	<b>0.27</b>
7.	<b>CHRISTINE S CHANG</b>					
	At the beginning of the year		<b>25,000</b>	<b>0.21</b>	25,000	0.21
	19/09/2014	Buy	20,000	0.17	45,000	0.38
	At the end of the year				<b>45,000</b>	<b>0.38</b>
8.	<b>AVANTHA HOLDINGS LIMITED</b>					
	At the beginning of the year		<b>20,790</b>	<b>0.17</b>	20,790	0.17
	At the end of the year				<b>20,790</b>	<b>0.17</b>
9.	<b>EDELWEISS BROKING LIMITED</b>					
	At the beginning of the year		<b>18,710</b>	<b>0.16</b>	18,710	0.16
	04/04/2014	Sell	(-)100	0.00	18,610	0.16
	11/04/2014	Buy	1,100	0.01	19,710	0.16
	18/04/2014	Buy	400	0.00	20,110	0.17
	09/05/2014	Buy	500	0.00	20,610	0.17
	16/05/2014	Buy	2,200	0.02	22,810	0.19
	23/05/2014	Buy	1,330	0.01	24,140	0.20
	13/06/2014	Sell	(-)1,030	0.01	23,110	0.19
	20/06/2014	Sell	(-)3,010	0.03	20,100	0.17
	15/08/2014	Buy	70	0.00	20,170	0.17
	22/08/2014	Buy	30	0.00	20,200	0.17
	29/08/2014	Buy	605	0.01	20,805	0.17
	05/09/2014	Buy	455	0.00	21,260	0.18
	12/09/2014	Sell	(-)310	0.00	20,950	0.17
	19/09/2014	Sell	(-)20,555	0.17	395	0.00
	30/09/2014	Sell	(-)10	0.00	385	0.00
	03/10/2014	Buy	200	0.00	585	0.00
	10/10/2014	Sell	(-)200	0.00	385	0.00
	24/10/2014	Buy	50	0.00	435	0.00
	31/10/2014	Buy	650	0.01	1,085	0.01
	07/11/2014	Sell	(-)326	0.00	759	0.01
	14/11/2014	Sell	(-)409	0.00	350	0.00
	12/12/2014	Buy	4,143	0.03	4,493	0.04
	19/12/2014	Sell	(-)4,168	0.03	325	0.00
	16/01/2015	Buy	5,565	0.05	5,890	0.05
	23/01/2015	Buy	4,746	0.04	10,636	0.09
	30/01/2015	Buy	75	0.00	10,711	0.09
	06/02/2015	Buy	113	0.00	10,824	0.09
	13/02/2015	Sell	(-)93	0.00	10,731	0.09
	20/02/2015	Buy	380	0.00	11,111	0.09
	27/02/2015	Buy	918	0.01	12,029	0.10
	06/03/2015	Sell	(-)1,000	0.01	11,029	0.09
	13/03/2015	Buy	600	0.01	11,629	0.10
	20/03/2015	Sell	(-)720	0.01	10,909	0.09
	27/03/2015	Buy	447	0.00	11,356	0.09
	31/03/2015	Buy	50	0.00	11,406	0.10
	At the end of the year				<b>11,406</b>	<b>0.10</b>
10.	<b>KANAI BANERJEE</b>					
	At the beginning of the year		<b>18,373</b>	<b>0.15</b>	18,373	0.15
	11/04/2014	Buy	1,025	0.01	19,398	0.16
	18/04/2014	Buy	2,535	0.02	21,933	0.18
	At the end of the year				<b>21,933</b>	<b>0.18</b>



Sl. No.	For Each of the Top Ten Shareholders (From 01/04/2014 to 31/03/2015)	Buy / Sell	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
11.	<b>SHRI PARASRAM HOLDINGS PRIVATE LIMITED</b>					
	<b>At the beginning of the year</b>		<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	04/04/2014	Buy	3,238	0.03	3,238	0.03
	18/04/2014	Sell	(-)449	0.00	2,789	0.02
	25/04/2014	Buy	184	0.00	2,973	0.02
	02/05/2014	Sell	(-)152	0.00	2,821	0.02
	09/05/2014	Buy	475	0.00	3,296	0.03
	16/05/2014	Sell	(-)108	0.00	3,188	0.03
	23/05/2014	Sell	(-)571	0.00	2,617	0.02
	30/05/2014	Buy	2,125	0.02	4,742	0.04
	13/06/2014	Buy	8,025	0.07	12,767	0.11
	20/06/2014	Sell	(-)291	0.00	12,476	0.10
	30/06/2014	Buy	50	0.00	12,526	0.10
	11/07/2014	Sell	(-)39	0.00	12,487	0.10
	18/07/2014	Sell	(-)909	0.01	11,578	0.10
	01/08/2014	Buy	14,406	0.12	25,984	0.22
	08/08/2014	Buy	50	0.00	26,034	0.22
	15/08/2014	Buy	7,606	0.06	33,640	0.28
	22/08/2014	Buy	975	0.01	34,615	0.29
	29/08/2014	Buy	1,740	0.01	36,355	0.30
	05/09/2014	Buy	5,344	0.04	41,699	0.35
	12/09/2014	Sell	(-)224	0.00	41,475	0.35
	19/09/2014	Sell	(-)94	0.00	41,381	0.35
	17/10/2014	Buy	550	0.00	41,931	0.35
	14/11/2014	Sell	(-)50	0.00	41,881	0.35
	21/11/2014	Buy	75	0.00	41,956	0.35
	28/11/2014	Sell	(-)11	0.00	41,945	0.35
	19/12/2014	Sell	(-)50	0.00	41,895	0.35
	31/12/2014	Buy	50	0.00	41,945	0.35
	02/01/2015	Sell	(-)50	0.00	41,895	0.35
	16/01/2015	Sell	(-)25	0.00	41,870	0.35
	23/01/2015	Buy	75	0.00	41,945	0.35
	30/01/2015	Sell	(-)50	0.00	41,895	0.35
	13/02/2015	Buy	50	0.00	41,945	0.35
	20/02/2015	Buy	50	0.00	41,995	0.35
	06/03/2015	Buy	4,000	0.03	45,995	0.38
	27/03/2015	Buy	1,385	0.01	47,380	0.40
	<b>At the end of the year</b>				<b>47,380</b>	<b>0.40</b>
12.	<b>INDUS PORTFOLIO PRIVATE LIMITED</b>					
	<b>At the beginning of the year</b>		<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	04/04/2014	Buy	11,655	0.10	11,655	0.10
	18/04/2014	Sell	(-)5	0.00	11,650	0.10
	09/05/2014	Buy	25	0.00	11,675	0.10
	16/05/2014	Sell	(-)25	0.00	11,650	0.10
	23/05/2014	Buy	162	0.00	11,812	0.10
	30/05/2014	Buy	38	0.00	11,850	0.10
	13/06/2014	Buy	1,000	0.01	12,850	0.11
	30/06/2014	Sell	(-)3,775	0.03	9,075	0.08
	29/08/2014	Buy	7,805	0.07	16,880	0.14
	05/09/2014	Buy	1,196	0.01	18,076	0.15
	12/09/2014	Sell	(-)1	0.00	18,075	0.15
	19/09/2014	Buy	500	0.00	18,575	0.15
	30/09/2014	Sell	(-)9,500	0.08	9,075	0.08
	10/10/2014	Buy	240	0.00	9,315	0.08
	24/10/2014	Buy	500	0.00	9,815	0.08



Sl. No.	For Each of the Top Ten Shareholders (From 01/04/2014 to 31/03/2015)	Buy / Sell	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	31/10/2014	Buy	1,260	0.01	11,075	0.09
	19/12/2014	Buy	1,025	0.01	12,100	0.10
	31/12/2014	Sell	(-)2,225	0.02	9,875	0.08
	16/01/2015	Buy	500	0.00	10,375	0.09
	30/01/2015	Buy	2,300	0.02	12,675	0.11
	06/02/2015	Buy	7,500	0.06	20,175	0.17
	13/02/2015	Sell	(-)5000	0.04	15,175	0.13
	27/02/2015	Buy	2,000	0.02	17,175	0.14
	06/03/2015	Buy	3,000	0.03	20,175	0.17
	13/03/2015	Buy	2,200	0.02	22,375	0.19
	20/03/2015	Sell	(-)150	0.00	22,225	0.19
	27/03/2015	Sell	(-)25	0.00	22,200	0.19
	31/03/2015	Sell	(-)6700	0.06	15,500	0.13
	<b>At the end of the year</b>				<b>15,500</b>	<b>0.13</b>
<b>13.</b>	<b>ATUL BABUBHAI CHAUHAN (HUF)</b>					
	<b>At the beginning of the year</b>		<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	04/04/2014	Buy	1,500	0.01	1,500	0.01
	02/05/2014	Buy	3,000	0.03	4,500	0.04
	09/05/2014	Buy	7,000	0.06	11,500	0.10
	23/05/2014	Buy	8,500	0.07	20,000	0.17
	08/08/2014	Sell	(-)20,000	0.17	0	0.00
	<b>At the end of the year</b>				<b>0</b>	<b>0.00</b>
<b>14.</b>	<b>AJAY PARAKH</b>					
	<b>At the beginning of the year</b>		<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	04/04/2014	Buy	17,445	0.15	17,445	0.15
	<b>At the end of the year</b>				<b>17,445</b>	<b>0.15</b>
<b>15.</b>	<b>NARASIAH RACHAPALLI</b>					
	<b>At the beginning of the year</b>		<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	30/06/2014	Buy	2,000	0.02	2,000	0.02
	10/10/2014	Buy	3,000	0.03	5,000	0.04
	31/10/2014	Buy	342	0.00	5,342	0.04
	07/11/2014	Buy	995	0.01	6,337	0.05
	14/11/2014	Buy	1,958	0.02	8,295	0.07
	21/11/2014	Buy	200	0.00	8,495	0.07
	28/11/2014	Buy	1,400	0.01	9,895	0.08
	05/12/2014	Buy	1,205	0.01	11,100	0.09
	12/12/2014	Buy	100	0.00	11,200	0.09
	19/12/2014	Buy	586	0.00	11,786	0.10
	31/12/2014	Buy	2,479	0.02	14,265	0.12
	16/01/2015	Buy	1,435	0.01	15,700	0.13
	23/01/2015	Buy	1,200	0.01	16,900	0.14
	30/01/2015	Buy	808	0.01	17,708	0.15
	06/02/2015	Buy	250	0.00	17,958	0.15
	13/02/2015	Buy	2,697	0.02	20,655	0.17
	06/03/2015	Buy	1,500	0.01	22,155	0.18
	<b>At the end of the year</b>				<b>22,155</b>	<b>0.18</b>
<b>16.</b>	<b>MAHESH VRAJLAL BABARIA</b>					
	<b>At the beginning of the year</b>		<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	05/09/2014	Buy	20,000	0.17	20,000	0.17
	27/02/2015	Sell	(-)10,000	0.08	10,000	0.08
	06/03/2015	Sell	(-)10000	0.08	0	0.00
	<b>At the end of the year</b>				<b>0</b>	<b>0.00</b>





Sl. No.	For Each of the Top Ten Shareholders (From 01/04/2014 to 31/03/2015)	Buy / Sell	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
17.	<b>RACHAPALLI YESUMANI</b>					
	<b>At the beginning of the year</b>		0	0.00	0	0.00
	30/06/2014	Buy	2,000	0.02	2,000	0.02
	08/08/2014	Buy	2,000	0.02	4,000	0.03
	03/10/2014	Buy	100	0.00	4,100	0.03
	10/10/2014	Buy	2,000	0.02	6,100	0.05
	07/11/2014	Buy	2,235	0.02	8,335	0.07
	14/11/2014	Buy	1,430	0.01	9,765	0.08
	21/11/2014	Buy	200	0.00	9,965	0.08
	28/11/2014	Buy	3,730	0.03	13,695	0.11
	05/12/2014	Buy	200	0.00	13,895	0.12
	19/12/2014	Buy	290	0.00	14,185	0.12
	31/12/2014	Buy	100	0.00	14,285	0.12
	09/01/2015	Buy	15	0.00	14,300	0.12
	16/01/2015	Buy	1,300	0.01	15,600	0.13
	13/02/2015	Buy	2,870	0.02	18,470	0.15
	20/02/2015	Buy	100	0.00	18,570	0.15
	06/03/2015	Buy	1,200	0.01	19,770	0.16
	<b>At the end of the year</b>				<b>19,770</b>	<b>0.16</b>

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors & KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Mr. Lalit Bhasin	74,24,304	61.90	74,24,304	61.90
2.	Mr. Jagmohan Lal Suri	500	0.00	500	0.00
3.	Mr. Raj Kumar Bhargava	7,118	0.05	7,118	0.05
4.	Mr. Ramesh Chandra Sharma	NIL	N.A	NIL	N.A
5.	Mr. Bhuneshwar Lal Chadha	NIL	N.A	NIL	N.A
6.	Mrs. Anita Jain*	N.A	N.A	NIL	N.A
7.	Mr. Anil Goyal, MD (KMP)	NIL	N.A	NIL	N.A
8.	Mr. Dinesh Kapoor, CS (KMP)**	NIL	N.A	NIL	N.A

**Note:** There is no change in the Shareholding of Directors & KMP during the year.

\*Appointed as an Additional Director w.e.f 31st March, 2015.

\*\*Appointed as Company Secretary w.e.f 16th April, 2014.

**V. INDEBTEDNESS:**

Indebtedness of the company including interest outstanding/accrued but not due for payment:

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	16,34,166	NIL	NIL	16,34,166
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>16,34,166</b>	<b>NIL</b>	<b>NIL</b>	<b>16,34,166</b>
Changes in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction	7,14,362	NIL	NIL	7,14,362
<b>Net Change</b>	<b>7,14,362</b>	<b>NIL</b>	<b>NIL</b>	<b>7,14,362</b>
Indebtedness at the end of the financial year				
i) Principal Amount	9,19,804	NIL	NIL	9,19,804
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>9,19,804</b>	<b>NIL</b>	<b>NIL</b>	<b>9,19,804</b>



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole-Time Directors and / or Manager:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	
		Mr. Anil Goyal, Managing Director	
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	31,20,000 20,02,000 NIL	
2.	Stock Option	NIL	
3.	Sweat Equity	NIL	
4.	Commission - as % of profit - others, specify	NIL -	
5.	Others, please specify	NIL	
	<b>Total(A)</b>	<b>51,22,000</b>	
	<b>Ceiling as per the Act</b>	5% of the Net Profits / As per Schedule V of the Companies Act, 2013 in case of absence or inadequacy of profits.	

B) Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (₹)
		Mr. Raj Kumar Bhargava	Mr. Ramesh Chandra Sharma	Mr. Bhuneshwar Lal Chadha	Mrs. Anita Jain*	
1.	<b>Independent Directors</b>					
	• Fee for attending board / committee meetings # • Commission • Others, please specify	1,02,000 NIL -	46,000 NIL -	86,000 NIL -	NIL NIL -	2,34,000 NIL -
	<b>Total (1)</b>	<b>1,02,000</b>	<b>46,000</b>	<b>86,000</b>	<b>NIL</b>	<b>2,34,000</b>
2.	<b>Other Non-Executive Directors</b>	Mr. Lalit Bhasin		Mr. Jagmohan Lal Suri		
	• Fee for attending board / committee meetings # • Commission • Others, please specify	40,000 NIL -		76,000 NIL -		1,16,000 NIL -
	<b>Total (2)</b>					<b>1,16,000</b>
	<b>Total Managerial Remuneration</b>					<b>3,50,000</b>
	<b>Overall Ceiling as per the Act</b>	Sitting fee paid as per the provisions of the Companies Act, 2013.				

\*Appointed as an Additional Director w.e.f 31st March, 2015.

#Excluding reimbursement of travel and other expenses incurred for attending the meetings.

C) Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel (Company Secretary)		Total Amount (₹)
		Ms. Nishu Tomar*	Mr. Dinesh Kapoor**	
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	20,800 68,067 NIL	6,67,000 4,73,047 NIL	6,87,800 5,41,114 NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - As % of profit - Others, specify	NIL -	NIL -	NIL -
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>88,867</b>	<b>11,40,047</b>	<b>12,28,914</b>

\*Resigned w.e.f 15th April, 2014.

\*\*Appointed w.e.f 16th April, 2014.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/NCLT / Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty/Punishment/Compounding			None		
<b>B. DIRECTORS</b>					
Penalty/Punishment/Compounding			None		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty/Punishment/compounding			None		

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### 1. OPERATING RESULTS

The Company's total income for the year under review is ₹ 281.11 lacs as compared to ₹ 815.26 lacs in the previous year. During the year under review the total expenses amounted to ₹ 165.86 lacs as compared to ₹ 153.32 lacs during the previous year.

### 2. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian economy started FY 2014-15 on a positive note with significant improvement in market and business sentiment, following the 'General Elections in May 2014'. Thereafter, a supportive global commodity price environment along with gradual improvement in governance resulted in moderate increase in economic output. During FY 2014-15, the currency remained below the 60 level to a dollar, as the underlying portfolio inflows in both equity and debt instruments were seen to be supportive. Thereafter, rupee started to depreciate in a very gradual fashion closing the financial year at 62.50. Two important financial market developments that stood out during 2014 was the appreciation of the US dollar and the sharp fall in global commodity prices.

The Government in consultation with RBI and SEBI has been pursuing reforms in Indian capital markets aiming to improve operational efficiency, introduce new instruments, reduce transactions costs, and strengthen regulatory / institutional framework.

### 3. OPPURTUNITY AND THREATS

With the globalization and electronic age, Indian stock market changed over the past decade. Nearly 100% of all transactions are executed through electronic media online trading system. The developments of high-tech and transparent markets with an increasingly wide geographic footprint have increased the number of trading venues offering diverse pools of liquidity.

Current elevated rates of inflation pose significant risks to future growth. With the attention of Government focused in containing the inflation, the economic growth may see a deceleration with corporates turning in moderate growth.

### 4. FUTURE PROSPECTS AND OUTLOOK

India is set to become the world's fastest-growing major economy by 2016 ahead of China, the International Monetary Fund (IMF) said in its recent latest forecast. India is expected to grow at 6.3 per cent in 2015 and 6.5 per cent in 2016 by when it is likely to cross China's projected growth rate, the IMF said in the latest update of its World Economic Outlook. India will continue to be an attractive destination for global money in 2015 due to continuing reforms.

The Company on being granted the NBFC registration from RBI, intends to actively pursue growth opportunities in the fast growing financial sector in the country, by providing financial services with wide activities. *(The Company's NBFC registration matter has been dealt with in detail in the Board's Report.)*

### 5. RISKS AND CONCERNS

The Company like any other Company is exposed to specific risks that are particular to its business and the environment within which it operates. The Company is exposed to the market risk (including liquidity risk) and also the factors that are associated with Capital market, which inter alia includes economic / business cycle, fluctuations in the stock prices in the market, besides the interest rate volatility and credit risk.

#### Risk Management Policy

The Company has implemented a systematic process to assist in the identification, assessment, treatment and monitoring of risks which provides the necessary tools and resources to management and staff to support the effective management of risks.

The Company is primarily engaged in investment in Securities viz. Equity Shares, Preference Shares, Mutual Funds etc. which involves macroeconomic risks, investee company specific risks, market wide liquidity risks and execution risks relating to the Company / its intermediaries.

- (a) The macroeconomic risks, investee company specific risks are covered by investment decisions based on third party research and internal assessment.
- (b) Market wide risks are assessed and managed by investment timing decisions.
- (c) The execution risk is managed by dealing with reputed intermediaries and through own back office discipline re accounting and follow up of trades.
- (d) All investment decisions are made after distinguishing among alternative courses of action with identification of expected risks.

The Company also faces credit default risks, concentration risk and industry specific risk while making Inter corporate loans to other body corporate. The Company performs the credit check on the prospective borrower considering various factors relating to the loan such as loan purpose, credit rating, and loan-to-value ratio and estimates the effect on yield (credit spread). The Company mitigates the concentration risk, industry specific risks by diversifying the borrower pool relating to different industries. The Company periodically monitors and reviews the financial condition, credit rating, debt to equity ratio to minimize the credit default risks associated with the borrowers.

The Company has established Internal Financial Control Systems to provide reasonable assurance regarding safeguarding of assets, maintenance of proper accounting records and the reliability of financial reporting.

The Company controls the operational risks associated with its business activities by way of prescribing / amending processes, imposing controls and defining roles and responsibilities.

The Company assesses the effectiveness of its risk management plan through structured continuous improvement processes to ensure risks and controls are continually monitored and reviewed.

### 6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate system of Internal Controls to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition of assets and that the transactions are recorded and reported.

The Company ensures adherence to all Internal Control policies and procedures as well as compliance with all regulatory guidelines. The Internal Auditor monitors and evaluates the efficacy and adequacy of Internal Control Systems in the Company, its compliance with the operating systems, accounting procedures and policies. The Audit Committee reviews the internal controls at periodic intervals in close coordination with the Internal Auditors.

### 7. FINANCIAL PERFORMANCE

- a) **Share Capital:** The Company's issued and subscribed Share Capital consists of Equity Share Capital only. The paid-up Share Capital of the Company as at 31st March, 2015 stood at ₹ 11,99,23,290 comprised of 1,19,92,329 Equity Shares of ₹ 10/- each.
- b) **Reserves and Surplus:** During the year under review, the reserves and surplus is ₹ 10,838.67 lacs as against ₹ 10,830.33 lacs during the previous year.
- c) **Non-Current Assets:** During the year under review, the Non-Current assets stood at ₹ 8,304.17 lacs as against ₹ 8,562.69 lacs during the previous year.
- d) **Current Assets & Current Liabilities:** The Current Assets and Current Liabilities & provisions for the year under review stood at ₹ 4033.65 lacs and ₹ 260.62 lacs respectively against ₹ 4,002.83 lacs and ₹ 489.86 lacs for the previous year.

### 8. HUMAN RESOURCES

The Company has adequate human resources which is commensurate with the current volume of activity and is reviewed by the management periodically and the Company would induct competent personnel on increase / expansion of the activity.

### 9. CAUTIONARY STATEMENT

Statements in this "Management's Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include interest rates and changes in the Government regulations, tax regimes, economic developments and other factors such as litigation etc.



**REPORT ON CORPORATE GOVERNANCE**

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company's philosophy on Corporate Governance envisages adopting the high standards of transparency, accountability and ethics in all transactions and interactions with all Stakeholders including but not limited to the Shareholders, the Government, Suppliers, Contractors and other business associates.

**2. SIZE AND COMPOSITION OF THE BOARD:**

The Board of Directors of your Company comprises of seven Directors out of which six are Non-Executive Directors and four are Independent Directors including one Woman Director as on 31st March, 2015. The Non-Executive Directors are proficient in their

own fields and bring with them decades of rich experience. Mr. Lalit Bhasin (Promoter) is the Chairman and Non-Executive Director of the Company. Mr. Anil Goyal is the Managing Director of your Company. He has to his credit nearly thirty two years of corporate experience. He is responsible for overall management of the Company. The composition of the Board is in conformity with the Clause 49 of the Listing Agreement.

Four Board meetings were held during the year under review on 27th May, 2014, 08th August, 2014, 14th November, 2014 and 10th February, 2015.

The particulars regarding composition of the Board of Directors and its Meetings held during the year are given hereunder:-

Name of the Director	Category#	Directorships in other public companies#		Committee Membership held in Other public companies#		No. of Board Meetings during the year	Attended Last AGM	Shares held
		Director	Chairman	Member	Chairman			
Mr. Lalit Bhasin	Promoter Non Executive	8	3	4	1	4	Yes	74,24,304
Mr. Anil Goyal	Non-Independent Executive	8	NIL	4	NIL	4	Yes	NIL
Mr. J.M.L. Suri	Non-Independent Non Executive	9	NIL	3	2	3	Yes	*500
Mr. R.K. Bhargava	Independent Non Executive	4	1	4	3	4	Yes	7,118
Mr. B.L. Chadha	Independent Non Executive	NIL	NIL	NIL	NIL	4	Yes	NIL
Mr. R.C. Sharma	Independent Non Executive	4	NIL	2	NIL	4	Yes	NIL
**Mrs. Anita Jain	Independent Non Executive	NIL	NIL	NIL	NIL	N.A	N.A	NIL

\* Jointly held with wife

\*\* Appointed as an Additional Director w.e.f 31st March, 2015

# Comprises only Audit Committee and Stakeholders Relationship Committee of Indian Public Limited Companies

In terms of Clause 49 of the Listing Agreement, the number of Committees (Audit Committee and Stakeholders Relationship Committee) of Public Limited Companies in which a Director is a Member / Chairperson was within the limits provided under Clause 49 of the Listing Agreement, for all the Directors of the Company. The number of directorships of each independent Director is also within the limits prescribed under Clause 49 of the Listing Agreement.

None of the Directors are related to each other as defined in Section 2(77) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Company has issued formal letter of appointment to the Independent Directors as per the provisions of Clause 49 of the Listing Agreement. The terms and conditions of appointment are disclosed on the website of the Company viz. www.hbportfolio.com

In terms of the provisions of the existing Articles of Association of the Company, one-third of the Directors of the Company, who are liable to retire by rotation shall retire at every Annual General Meeting. Accordingly, Mr. Anil Goyal, Managing Director shall retire at the ensuing Annual General Meeting and who being eligible offers himself for re-appointment.

The details of Director seeking re-appointment at the ensuing Annual General Meeting have been furnished in the Notice of the ensuing Annual General Meeting.

**3. MEETING OF INDEPENDENT DIRECTORS:**

During the year under review, the Independent Directors met on 10th February, 2015, inter alia, to discuss:

- i) Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- ii) Evaluation of the performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors.
- iii) Evaluation of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Further, the Company gave the presentation to the Independent Directors as a part of the familiarisation programme to make them aware about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The details of such familiarisation programme have been uploaded on the website of the Company viz. www.hbportfolio.com having following web link, www.hbportfolio.com/Investor Information/Corporate Governance. All the Independent Directors were present at the Meeting.

**4. PERFORMANCE EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the performance evaluation of the Board as a whole and all the Directors individually has been carried out by way of a structured questionnaire which was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority Shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board of Directors (excluding the Director being evaluated). The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process. Mrs. Anita Jain, Additional Director being appointed w.e.f 31st March, 2015, was excluded from the process of evaluation.

**5. BOARD COMMITTEES:**

The terms of reference of the Board Committee(s), their composition and attendance of the respective members at the various Committee Meeting(s) held during the year 2014-2015 are set out below:

**(A) Audit Committee:**

The Board of Directors in their meeting held on 28th July, 2001 had constituted the Audit Committee as per the requirement of Sec 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Committee was duly reconstituted on 29th January, 2004 and thereafter on 27th July, 2004. In terms of the provisions of Sec 177(4) of the Companies Act, 2013 and rules made there under and as per revised Clause 49 of the Listing Agreement, the scope of the Audit Committee has been enlarged and accordingly the terms of reference have been revised by the Board of Directors in their meeting held on 27th May, 2014. The Audit Committee consists of three Non-Executive Directors as members, out of which two are Independent Directors. The Chairman of the Audit Committee is an Independent Director. The Audit Committee comprises of following members:

- (i) Mr. Raj Kumar Bhargava, Chairman (Independent Director)
- (ii) Mr. Bhuneshwar Lal Chadha, Member (Independent Director)
- (iii) Mr. Jagmohan Lal Suri, Member.

The Company Secretary acting as Secretary to the Committee.

The Audit Committee has been empowered, inter-alia, to carry out the following functions:

- 1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;
- 2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- 3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualifications in the draft audit report.
- 5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;



7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. The Audit Committee shall mandatorily review the following information:
  - a) Management discussion and analysis of financial condition and results of operations;
  - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d) Internal audit reports relating to internal control weaknesses; and
  - e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
21. The Audit Committee shall also have powers, which should include the following:
  - a) To investigate any activity within its terms of reference.
  - b) To seek information from any employee.
  - c) To obtain outside legal or other professional advice.
  - d) To secure attendance of outsiders with relevant expertise, if it considers necessary.
  - e) To consider and act on any matters as or included under Clause 49 of the Listing Agreement and/or as may be so included from time to time, whether provided here in above or not.
  - f) To deal with any other matters related and or incidental to the above or as may be assigned, in addition to the aforesaid, by the Board from time to time.

During the year under review, four Audit Committee Meetings were held on 27th May, 2014, 08th August, 2014, 14th November, 2014 and 10th February, 2015 and the same were attended by all committee members as well as the Internal & Statutory Auditors of the Company except Mr. Jagmohan Lal Suri who has not attended the meeting held on 10th February, 2015.

The Audit Committee plays a crucial role in running of the Corporate Governance Functions. During the year the roles and responsibility of the Audit Committee have been effectively carried out. The Audit Committee reviewed the financial operations and performance of the Company, interacted with the Statutory and Internal Auditors, considered the reports of the Auditors and provided its valuable suggestions and recommendations to the Board of Directors from time to time.

**(B) Nomination and Remuneration Committee:**

The Board of Directors in their meeting held on 19th December, 2001 had constituted Remuneration Committee in terms of the provisions of the Listing Agreement. The Committee was reconstituted on 30th October, 2004.

The Board of Directors in their meeting held on 27th May, 2014 renamed the committee as "Nomination and Remuneration Committee" pursuant to the provisions of Section 178 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement.

The Nomination and Remuneration Committee consists of three Directors as members. All of whom are Non-Executive and Independent Directors including the Chairman of the Committee. The Nomination and Remuneration Committee comprises of following members:

- (i) Mr. Raj Kumar Bhargava, Chairman (Independent Director)
- (ii) Mr. Bhuneshwar Lal Chadha, Member (Independent Director)
- (iii) Mr. Ramesh Chandra Sharma, Member (Independent Director)

The Company Secretary acting as Secretary to the Committee.

The Nomination and Remuneration Committee has been empowered, inter-alia, to carry out the following functions:-

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for performance evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. To deal with any other matters related and / or incidental to the above or as may be assigned, in addition to the aforesaid by the Board from time to time.

During the year under review, three meetings of Nomination and Remuneration Committee were held on 27th May, 2014, 10th February, 2015 and 30th March, 2015 and the same were attended by all the committee members.

The Remuneration Policy of the Company has been included as part of the Directors Report as "Annexure – III" thereto.

**Remuneration paid during the year ended 31<sup>st</sup> March 2015 is as under:**

Director	Relationship with other Director(s)	Sitting Fees Paid (₹)	Salary & Perks (₹)	Commission, if any
Mr. Lalit Bhasin	N.A.	40,000/-	Nil	Nil
Mr. J.M.L. Suri	N.A.	76,000/-	Nil	Nil
Mr. R.K. Bhargava	N.A.	1,02,000/-	Nil	Nil
Mr. B.L. Chadha	N.A.	86,000/-	Nil	Nil
Mr. R.C. Sharma	N.A.	46,000/-	Nil	Nil
Mrs. Anita Jain*	N.A.	Nil	Nil	Nil
Mr. Anil Goyal	N.A.	Nil	51,22,000/-	Nil

\* Appointed w.e.f 31st March, 2015

The Non-Executive Directors are paid sitting fees for attending each meeting of the Board of Directors and the Committees constituted by the Board. The sitting fee for each meeting of Board of Directors and the Committee of Directors is fixed by the Board of Directors within the overall ceiling laid down under the Companies Act, 2013.

The aggregate value of salary and perquisites paid for the year ended 31st March, 2015 to Mr. Anil Goyal, Managing Director is as follows:

**Salary ₹ 31,20,000/- and Perquisites ₹ 20,02,000/-**

Besides this he is entitled to Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent not taxable and Gratuity and encashment of leave at the end of tenure.

The notice period for the Managing Director is three months and there is no severance fee.

**(C) Stakeholders Relationship Committee:**

The Board of Directors in their meeting held on 28th July, 2001 had constituted Shareholders / Investors Grievance Committee in terms of the provisions of the Listing Agreement. The Board of Directors in their meeting held on 27th May, 2014 renamed the Shareholders / Investors Grievance Committee as "Stakeholders Relationship Committee" and approved their revised terms of reference in line with the provisions of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement.

The Stakeholders Relationship Committee consists of three Directors as members. The Chairman of the Committee is a Non-Executive Director. The Stakeholders Relationship Committee comprises of following members:

- (i) Mr. Jagmohan Lal Suri, Chairman
- (ii) Mr. Anil Goyal, Member
- (iii) Mr. Raj Kumar Bhargava, Member (Independent Director)

The Company Secretary acting as Secretary to the Committee who has also been designated as the Compliance Officer of the Company.

The Stakeholders Relationship committee has been empowered, inter-alia, to carry out the following functions:-

1. To consider and approve the transfer, transmission and issue of fresh/duplicate share certificates.
2. To review the status of dematerialization of company's shares and matters incidental thereto.
3. To review and monitor the approval to the transfers and transmissions made by the Executive Director, under executive authority delegated to him from time to time.
4. To consider, review and look into the redressal of grievances of shareholders, debenture holders and other security holders
5. To consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.
6. To consider and finalize the Report on Corporate Governance to be annexed with the Annual Report of the company.
7. To deal with any other matters related and/or incidental to the shareholders.

Mr. Anil Goyal, Managing Director has, however, been empowered to approve transfers up to 10,000 Equity Shares under one folio at a time.

During the year under review, eight Stakeholders Relationship Committee Meetings were held on 09th April, 2014, 27th May, 2014, 14th July, 2014, 08th August, 2014, 26th September, 2014, 31st October, 2014, 18th November, 2014 and 18th March, 2015 and the same were attended by all the committee members.





**Number of Shareholders Requests / Complaints received and redressed during the year 2014-2015:**

Nature of Grievance	Received	Cleared
Non receipt of Dividend	55	55
Relating to transfer, transmission, exchange etc.	42	42
Non receipt of Annual Report	Nil	Nil
<b>TOTAL</b>	<b>97</b>	<b>97</b>

**(D) Corporate Social Responsibility Committee:**

The Board of Directors in their meeting held on 27th May, 2014 constituted the "Corporate Social Responsibility Committee" pursuant to the provisions of Section 135, Schedule VII of the Companies Act, 2013 and rules made thereunder.

The Corporate Social Responsibility Committee consists of three Directors as members out of which one Director is an Independent Director who is also the Chairman of the Committee. The Corporate Social Responsibility Committee comprises of following members:

- (i) Mr. Ramesh Chandra Sharma, Chairman (Independent Director)
- (ii) Mr. Jagmohan Lal Suri, Member
- (iii) Mr. Anil Goyal, Member

The Corporate Social Responsibility Committee has been empowered, inter-alia, to carry out the following functions:-

1. formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
2. recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
3. monitor the Corporate Social Responsibility Policy of the Company from time to time. During the year under review, Corporate Social Responsibility Committee met on 10th February, 2015 and the same was attended by Mr. Ramesh Chandra Sharma, Chairman and Mr. Anil Goyal, Member. Mr. Jagmohan Lal Suri was granted leave of absence for the meeting.

**(E) Finance and Borrowings Committee:**

The Board of Directors in their meeting held on 30th April, 2003 constituted the Finance and Borrowings Committee.

The Finance and Borrowings Committee comprises of following members-

- (i) Mr. Jagmohan Lal Suri, Chairman
- (ii) Mr. Anil Goyal, Member
- (iii) Mr. Raj Kumar Bhargava, Member (Independent Director)

The Finance and Borrowing Committee has been empowered, inter-alia, to carry out the following functions:

1. To sanction and approve borrowing of funds from any financial institution, banks or any body(ies) corporate, otherwise than on debentures not exceeding a sum of ₹ 50 Crores etc.
2. To approve creation of security for borrowings whether by way of a promissory note/post dated cheques or by way of a mortgage, charge, hypothecation of assets of the company, which shall include both movable and immovable assets of the company or by any combination thereof;
3. To approve deeds and documents to be executed with the lenders (which term shall include financial institution, banks or any body(ies) corporate in connection with the borrowings approved by the committee including loan agreement, deed of hypothecation etc.;
4. To delegate power / authority to any director / officer or any authorised person/ signatory of the company to execute the documentation on behalf of the company and to affixation of Common Seal of the company to any of the documents;
5. To approve opening of new bank account and / or closing of the existing bank account, as the case may be.

During the year under review, no meeting of Finance and Borrowings Committee was held.

**6. GENERAL BODY MEETINGS:**

Details of Annual General Meetings:

**(i) Location and time where the last three AGM's were held**

Year	Type	Location	Date	Time
2013-14	AGM	GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurgaon - 122 001(Haryana)	16.09.2014	11.00 A.M.
2012-13	AGM	GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurgaon - 122 001(Haryana)	10.09.2013	11.00 A.M.
2011-12	AGM	GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurgaon - 122 001(Haryana)	05.09.2012	11.00 A.M.

**(ii) List of Special Resolutions passed in the previous three AGMs**

S. No.	Subject Matter	AGM Reference and Date of passing
1	Appointment of Managing Director for a further period of five years	17 <sup>th</sup> AGM 05.09.2012
2	Variation in the terms of appointment of Managing Director to make him liable to retire by rotation.	19 <sup>th</sup> AGM 16.09.2014
3	Adoption of new set of Articles of Association (AOA) of the Company.	
4	Passing of fresh resolution for borrowing monies by the Board of Directors upto ₹ 200 Crores under Sec 180(1)(c) of the Companies Act, 2013	

E-voting facility was provided to all members pursuant to the provisions of Section 108 of the Companies Act, 2013, rules made there under and Clause 35B of the Listing Agreement.

- (iii) Whether any Special Resolution were put through Postal Ballot last year: No
- (iv) Whether any Special Resolution is proposed to be conducted through Postal Ballot: No

**7. DISCLOSURES:**

- I. There have been no materially significant related party transactions, pecuniary transactions or relationships other than those disclosed in the Financial Statements for the year ended 31st March, 2015 (Refer Note No. 23 to the Notes to Accounts) forming part of the Financial Statements. Accordingly, the same have not been reproduced here.
- II. No penalty has been imposed nor any strictures have been passed by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to Capital Markets during the last three years.
- III. The Vigil Mechanism for Stakeholders, Employees and Directors of the Company has been established. The Whistle Blower Policy duly approved by the Board of Directors has been uploaded on the website of the Company. No personnel have been denied access to the Audit Committee.
- IV. The Company has adopted a Code of conduct applicable to all Directors and Senior Management Personnel of the Company and the same has been posted on the website of the Company viz. www.hbportfolio.com. For the year under review, all Directors and Senior Management Personnel have confirmed their adherence to the provisions of said code.
- V. None of the Company's subsidiaries viz., HB Securities Ltd. and HB Corporate Services Ltd. is "Material Non-Listed Subsidiary" in terms of Clause 49 of the Listing Agreement. However, the financial results and the investments (as and when made) are placed before the Audit Committee of the Company regularly for review.
- VI. In the absence of Chief Financial Officer (CFO) of the Company, the Managing Director of the Company, who is a Chartered Accountant has given the certificate on the review of Financial Statements, including Cash Flow, for the year ended 31st March, 2015 to the Board of Directors as required under Clause 49 of the Listing Agreement.
- VII. All the mandatory requirements under Clause 49 (relating to Corporate Governance norms) of the Listing Agreement are being adhered to / complied with except Clause 49(IX) pertaining to certification by CFO of the Company.

**ADOPTION OF NON-MANDATORY REQUIREMENTS UNDER CLAUSE 49:**

- I. The Internal Auditor directly reports to the Audit Committee.

**8. MEANS OF COMMUNICATION:**

- I. **Quarterly Results:** Dissemination through Stock Exchange, Company's Website and through publication in newspaper as required under Listing Agreement.
- II. **Newspaper wherein results normally published:** Business Standard Hindi & English.
- III. **Website where displayed:** www.hbportfolio.com
- IV. The website also displays official news releases and important communications made to Stock Exchange. As and when any presentation is made to institutional investors the same would be simultaneously uploaded on the Company's Website.

**9. GENERAL SHAREHOLDER INFORMATION:**

**I. Ensuing Annual General Meeting Date, Time and Venue:**

Location	Date	Time
GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurgaon - 122 001 (Haryana)	03.09.2015	11.00 A.M.

**II. Financial Year:** 1st April, 2014 to 31st March, 2015

**III. Date of Book Closure:** 28th August, 2015 to 03rd September, 2015.

**IV. Dividend Payment Date:**

Subject to the approval of dividend by the Shareholders, dividend warrants will be mailed to eligible members / beneficial owner's (in respect of shares held in dematerialized form) on or before 02nd October, 2015.

**V. Listing on Stock Exchanges:**

The Company's equity shares are listed at Bombay Stock Exchange Limited (BSE), Mumbai.

**VI. Stock Code:**

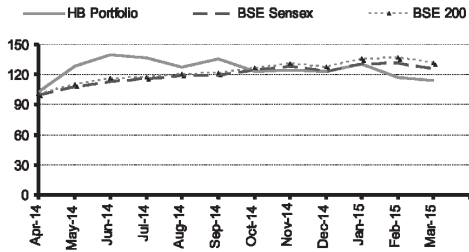
The Company's scrip code at BSE is 532333.

**VII. Market Price Data:** The monthly High, Low price of the Company during each month in the last financial year at BSE is as under:

Month	High	Low	Close Price	Volume
Apr-14	21.00	16.45	18.50	73294
May-14	28.00	17.00	23.15	113547
Jun-14	29.00	20.15	25.15	125477
Jul-14	28.95	22.70	24.65	59275
Aug-14	24.50	20.00	22.90	116455
Sep-14	28.60	21.10	24.40	136512
Oct-14	26.85	20.00	22.10	25351
Nov-14	24.70	22.05	22.40	34234
Dec-14	24.50	20.00	22.10	33965
Jan-15	24.70	21.50	23.40	60913
Feb-15	23.45	20.00	21.05	50798
Mar-15	21.85	19.10	20.50	33328



VIII. Performance in Broad based Indices:



IX. Stock Performance – Absolute Returns:

	1 YEAR
HB Portfolio	10.81
BSE Sensex	24.71
BSE 200	31.60

X. Registrar and Transfer Agents:

RCMC Share Registry Pvt. Ltd.  
B-25/1, First Floor,  
Okhla Industrial Area, Phase-II,  
New Delhi – 110 020  
Phone : 011 – 26387320, 26387321, 26387323  
Fax : 011 - 26387322  
E-mail: shares@rcmcdelhi.com

XI. Share Transfer System

Share Transfers are registered and returned within a period of fifteen days from the date of receipt, if the documents are clear in all respects. The authority for transfer of shares has been delegated to the Managing Director for transfer of shares up to a fixed number beyond which the matters are placed before the Stakeholders Relationship Committee, which meets as and when required. As reported by Company's Registrar and Transfer Agent, all valid requests for transfer during the year under review were transferred within stipulated time limit.

XII. The distribution of Shareholdings of the Company as on 31st March, 2015 is as under:

No. of Shares	Shareholders		Shareholding	
	Nos.	% to total	Shares	% to total
Up to 5000	69966	99.45	2933488	24.46
5001-10000	206	0.29	151293	1.26
10001-20000	73	0.10	106240	0.89
20001-30000	28	0.04	69124	0.58
30001-40000	20	0.03	68706	0.57
40001-50000	18	0.03	81954	0.68
50001-100000	18	0.03	143131	1.19
100001 and above	26	0.04	8438393	70.36
<b>TOTAL</b>	<b>70355</b>	<b>100.00</b>	<b>11992329</b>	<b>100.00</b>

The category-wise distribution of Shareholders is as follows:

Category	No of Shares held	% of Shareholding
<b>A. Promoters Holding</b>		
• Indian Promoter	78,58,464	65.53
• Foreign Promoters	0	0.00
<b>B. Public Shareholding (Institutions)</b>		
• Mutual Funds and UTI	1,275	0.01
• Banks/Financial Institutions	25	0.00
• Foreign Institutional Investors	0	0.00
<b>C. Public Shareholding (Non Institutions)</b>		
• Bodies Corporate	3,12,591	2.61
• NRIs	99,542	0.83
• Indian Public	37,10,167	30.93
• Clearing Member/ Intermediary	10,265	0.09
<b>Total</b>	<b>1,19,92,329</b>	<b>100.00</b>

XIII. Dematerialization of Share and Liquidity:

The trading in the Equity Shares of the Company has come under compulsory dematerialization w.e.f. 26th February, 2001 in terms of the SEBI-Notification No. SMDRP/ POLICY/CIR - 23 / 2000 dated 29th May, 2000.

The Company has joined the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN No. allotted to the Company is INE638B01017. As at 31st March, 2015, 99,75,088 Equity Shares of the Company are held in dematerialized form constituting 83.18% of the Company's subscribed share capital.

As stipulated by SEBI, a qualified Practising Company Secretary carries out audit of Reconciliation of Share Capital to reconcile the total admitted, issued and listed capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and Stock Exchanges.

XIV. The Company has no outstanding GDRs/ ADRs/ Warrants or any other instruments convertible into equity.

XV. Address for Correspondence:

The Company Secretary  
HB Portfolio Limited  
Plot No. 31, Echelon Institutional Area,  
Sector-32, Gurgaon – 122 001, Haryana  
E-mail: corporate@hbportfolio.com

**MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT**

The Members of  
HB Portfolio Limited  
Gurgaon

I, Anil Goyal, Managing Director of the Company declare that all the members of the Board of Directors; and Senior Management of the Company have affirmed compliance with the Code of Conduct.

For HB Portfolio Limited

Sd/-  
ANIL GOYAL  
(Managing Director)  
DIN: 00001938

Place : Gurgaon  
Date : 28th May, 2015

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of  
HB Portfolio Limited  
Gurgaon.

We have examined the compliance of conditions of Corporate Governance by HB PORTFOLIO LIMITED for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement except that the company does not have any Chief Financial Officer (CFO). We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P. Bholusaria & Co.  
Chartered Accountants  
Firm Registration No.: 000468N

Sd/-  
AMIT GOEL  
(Partner)  
Membership No.: 092648

Place : Gurgaon  
Date : 28th May, 2015



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF  
HB PORTFOLIO LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **HB PORTFOLIO LIMITED** ("the Company"), which comprises the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statement that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2015 and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (1) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance sheet, the Statement of profit and loss and the Cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) on the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) the Company does not have any pending litigations which would impact its financial position;
    - ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Registration No. : 000468N**

**Sd/-  
AMIT GOEL  
(Partner)  
Membership No.: 092648**

**Place : Gurgaon  
Date : 28th May, 2015**

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

The annexure referred to in our report to the members of the Company on the standalone financial statements for the year ended on 31st March, 2015, we report that:

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b) As explained to us, the management during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
2. a) As explained to us, the Company does not have any inventories. The Shares/ securities held as investments have been physically verified by the management at reasonable intervals during the year.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of shares/securities followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business and activities.
  - c) The Company has maintained proper records of investments. As explained to us, no material discrepancies have been noticed on physical verification of investments as compared to the book records.
3. a) The Company had granted unsecured loans of Rs. 9,00,00,000/- during the earlier years to one company covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). The year end balance and maximum amount outstanding at any time during the year of such loan is Rs. 9,00,00,000/-
  - b) The loanee company is regular in payment of interest and principal as stipulated.
  - c) There is no overdue amount receivable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and sale of goods. During the year there was no sale of services. During the course of our audit, we have not observed any major weakness in the internal control system.
5. The Company has not accepted any deposits from the public.
6. The nature of the Company's business / activities is such that maintenance of Cost Records under section 148(1) of the Act is not applicable to the Company.
7. a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Value Added Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax, Cess and other statutory dues to the extent and as applicable to the Company have been generally regularly deposited by the Company during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2015 for a period of more than six months from the date of becoming payable except for Rs. 10,80,000/- on account of advance Tax installments for June and September, 2014 quarters.
  - b) According to the records of the Company, there are no disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities.
  - c) In our opinion and according to the information and explanations given to us, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
8. The Company does not have any accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.
9. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
10. The Company has given guarantees for loans taken by others from banks or financial institutions. According to the information and explanations given to us, we are of the opinion that the other terms and conditions thereof are not prima-facie prejudicial to the interests of the Company.
11. The Company has not raised any term loans during the year. The outstanding vehicle loan raised from bank in the earlier year was utilized for that purpose.
12. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Registration No. : 000468N**

**Sd/-  
AMIT GOEL  
(Partner)  
Membership No.: 092648**

**Place : Gurgaon  
Date : 28th May, 2015**



## HB PORTFOLIO LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note(s)	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	122659589	122659589
Reserves and Surplus	3	1083866465	1083032618
		<b>1206526054</b>	<b>1205692207</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	134569	919804
Long Term Provisions	5	1059474	954562
		<b>1194043</b>	<b>1874366</b>
<b>Current Liabilities</b>			
Other Current Liabilities	6	15829762	15010346
Short Term Provisions	7	10232302	33975246
		<b>26062064</b>	<b>48985592</b>
		<b>1233782161</b>	<b>1256552165</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible assets	8	2214080	2598299
Non-current investments	9	793329829	818830260
Deferred Tax Assets(Net)	10	365086	332470
Long term loans and advances	11	34508440	34508440
		<b>830417435</b>	<b>856269469</b>
<b>Current Assets</b>			
Trade Receivables	12	0	9849004
Cash and Bank Balances	13	31514297	26472042
Short-Term Loans and Advances	14	366250000	356500000
Other Current Assets	15	5600429	7461650
		<b>403364726</b>	<b>400282696</b>
		<b>1233782161</b>	<b>1256552165</b>

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 to 36

The accompanying notes form an integral part of the standalone financial statements As per our Report attached on even date

For P. BHOLUSARIA & CO. Chartered Accountants Firm Registration No. : 000468N

AMIT GOEL (Partner) Membership No.: 092648

ANIL GOYAL (Managing Director)

J.M.L. SURI (Director)

Place : Gurgaon  
Date : 28th May, 2015

DINESH KAPOOR (Company Secretary)

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note(s)	Year Ended 31st March, 2015 (In ₹)	Year Ended 31st March, 2014 (In ₹)
Revenue from operations	16	27500837	79488893
Other Income	17	610000	2037147
		<b>28110837</b>	<b>81526041</b>
<b>Expenses:</b>			
Employee Benefit Expense	18	7938123	7328535
Finance Costs	19	2714242	2166187
Depreciation	8	384219	357141
Other Expenses	20	5525067	5229289
Contingent Provision against Standard Assets		24375	250500
		<b>16586026</b>	<b>15331652</b>
Profit for the year before Tax		<b>11524811</b>	<b>66194389</b>
<b>Tax expense:</b>			
Current tax		3500000	15000000
Deferred Tax charge/(credit)		(32616)	(68069)
Profit for the year after Taxation		<b>8057427</b>	<b>51262458</b>
<b>Earning per equity share:</b>			
Equity share of Par value ₹ 10/-each			
Basic and Diluted	29	0.67	4.27

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 to 36

The accompanying notes form an integral part of the standalone financial statements As per our Report attached on even date

For P. BHOLUSARIA & CO. Chartered Accountants Firm Registration No. : 000468N

AMIT GOEL (Partner) Membership No.: 092648

ANIL GOYAL (Managing Director)

J.M.L. SURI (Director)

Place : Gurgaon  
Date : 28th May, 2015

DINESH KAPOOR (Company Secretary)

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	(Amount in ₹)	
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>A) CASH FLOW FROM OPERATION ACTIVITIES</b>		
Net Profit before tax and Extraordinary Items	11524811	66194389
Adjustment for :		
Depreciation	331513	357141
Loss on sale of fixed assets	0	324906
Contribution of Gratuity and Leave encashment	302009	182317
Interest on Income Tax	2589612	2032861
Contingent Provision against Standard Assets	24375	250500
<b>Operating Profit before Working Capital Changes</b>	<b>14772320</b>	<b>69342114</b>
Adjustment for :		
Loan and advances and other Receivables	1160887	-74583627
Investments	25500431	-24524698
Current and Non-current Liabilities	-468009	2003582
<b>Cash Generated from operation</b>	<b>40965629</b>	<b>-27762628</b>
Income tax paid	-12302225	-14685890
<b>Net Cash from Operation Activities</b>	<b>28663404</b>	<b>-42448518</b>
<b>B) CASH FLOW FROM INVESTMENTS ACTIVITIES</b>		
Purchase of Fixed Assets	0	-2756878
Sale of Fixed Assets	0	355000
<b>Net Cash used in Investing Activities</b>	<b>0</b>	<b>-2401878</b>

Particulars	(Amount in ₹)	
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(-) repayment of Borrowings	-785235	919804
Interest on Income Tax	-2589612	-2032861
Dividend Paid	-17988494	-17988494
Tax on dividend	-3057145	-3057145
<b>Net Cash used in Financing Activities</b>	<b>-24420486</b>	<b>-22158696</b>
<b>Net Increase in Cash &amp; Cash Equivalents A+B+C</b>	<b>4422918</b>	<b>-67009092</b>
<b>Cash and Cash Equivalents</b>	<b>13248943</b>	<b>80258035</b>
(Opening Balance)		
<b>Cash and Cash Equivalents</b>	<b>17491861</b>	<b>13248943</b>
(Closing Balance)		
<b>Components of cash and cash equivalents at the end of the year</b>		
<b>Balances with Banks</b>		
-In Current Accounts	17195527	12965015
-Cash-in-Hand	296333	283928
	<b>17491860</b>	<b>13248943</b>

The accompanying notes form an integral part of the standalone financial statements As per our Report attached on even date

For P. BHOLUSARIA & CO. Chartered Accountants Firm Registration No. : 000468N

AMIT GOEL (Partner) Membership No.: 092648

ANIL GOYAL (Managing Director)

J.M.L. SURI (Director)

Place : Gurgaon  
Date : 28th March, 2015

DINESH KAPOOR (Company Secretary)





**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**1.2 USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**1.3 REVENUE RECOGNITION**

- 1.3.1 All Income & Expenditure are accounted for on accrual basis except in case of uncertainties where accrual is postponed upto resolution of uncertainty.
- 1.3.2 Investments are capitalised at cost inclusive of brokerage, Service Tax, Education Cess, transfer stamps and Security Transaction Tax. Depository Charges and other miscellaneous transaction charges which due to practical difficulty cannot be identified / allocated to a particular transaction are charged directly to the Statement of Profit and Loss.

**1.4 FIXED ASSETS**

Fixed Assets are stated at cost less depreciation.

**1.5 DEPRECIATION**

Depreciation on tangible assets is provided on Straight Line method over the useful life of assets in the manner specified in Schedule II to the Companies Act, 2013.

**1.6 INVESTMENTS**

- 1.6.1 Non current / Long Term Investments are valued at cost. Provision for diminution in the value of Long term / Non current Investments is made only if such a decline is other than temporary.

**1.7 EMPLOYEE BENEFITS**

- 1.7.1 Employee Benefits are recognized / accounted for on the basis of revised AS-15 detailed as under:-
- 1.7.2 Short Term Employee benefits are recognized as expense at the undiscounted amount in the Profit & Loss account of the year in which they are incurred.

- 17.3 Employee benefits under defined contribution plans comprise of contribution to Provident Fund and Superannuation. Contributions to Provident Fund are deposited with appropriate authorities and charged to Profit & Loss account. Contribution to Superannuation are funded with Life Insurance Corporation of India.

- 1.7.4 Employee Benefits under defined benefit plans comprise of gratuity and leave encashment which are accounted for as at the year end based on actuarial valuation by following the Projected Unit Credit (PUC) method. Liability for gratuity is funded with Life Insurance Corporation of India.

- 1.7.5 Termination benefits are recognized as an Expense as and when incurred.

- 1.7.6 The actuarial gains and losses arising during the year are recognized in the Profit & Loss account of the year without resorting to any amortization.

**1.8 TAXATION**

Tax expenses for the year comprises of Current tax and deferred tax charge or credit. The deferred Tax Asset and deferred Tax Liability is calculated by applying tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred Tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax law are recognised only if there is virtual certainty of its realisation. Other deferred tax assets are recognised only to the extent there is a reasonable certainty of realisation in future. Deferred Tax Assets / Liabilities are reviewed at each balance sheet date based on development during the year, further future expectations and available case laws to reassess realisation / liabilities.

**1.9 IMPAIRMENT OF FIXED ASSETS**

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's Fixed Assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the assets in prior years.

**1.10 CONTINGENCIES:**

The Company creates a provision when there is present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST. MARCH, 2015**

**2. SHARE CAPITAL**

Particulars	As at 31st March, 2015 (In ₹)		As at 31st March, 2014 (In ₹)	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
<b>AUTHORIZED</b>				
2,00,00,000 (2,00,00,000) Equity Shares of ₹ 10/- each.		200000000		200000000
1,00,00,000 (1,00,00,000) Redeemable Preference Shares of ₹10/- each		100000000		100000000
		300000000		300000000
<b>ISSUED</b>				
1,28,21,630 (1,28,21,630) Equity Shares of ₹ 10/- each.		128216300		128216300
		128216300		128216300
<b>SUBSCRIBED &amp; PAID UP</b>				
1,19,92,329 (1,19,92,329) Equity Shares of ₹ 10/- each fully paid up.		119923290		119923290
Add: Forfeited shares - 8,29,301 (8,29,301) Equity Shares (Amount originally paid up)		2736299		2736299
		122659589		122659589

– Issued Share capital of the Company has only one class of shares referred to as equity shares having Par value of ₹ 10/. Each holder of Equity Shares is entitled to One vote per share.

**Reconciliation of the number of shares outstanding and Amount of Share Capital as on 31st March, 2015 & 31st March, 2014 is as under:**

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Number of shares at the beginning	11992329	119923290	11992329	119923290
Number of shares at the end	11992329	119923290	11992329	119923290

**Particulars of Shares in the Company held by each Shareholder holding more than 5% shares:**

Name of Shareholders	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
Lalit Bhasin	7424304	61.91	7424304	61.91

– In the event of the Liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all Preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

**3. RESERVES AND SURPLUS**

Particulars	As at 31st March, 2015 (In ₹)		As at 31st March, 2014 (In ₹)	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Securities Premium Reserve - Opening Balance		499736601		499736601
Add: Addition during the year		0		0
		499736601		499736601
Statutory Reserve - Opening Balance *		158904833		148652341
Add: Transferred from Surplus		1611485		10252492
		160516318		158904833
General Reserve - Opening Balance		314252875		310252875
Less: Transferred from Surplus		0		4000000
		314252875		314252875
Surplus - Opening Balance		110138309		94173982
Add: Net Profit after tax transferred from Statement of Profit & Loss		8057427		51262458
		118195736		145436440
Less: Transferred to Statutory Reserve		1611485		10252492
Transferred to General Reserve		0		4000000
Proposed Dividend on Equity shares (Dividend Per Equity Share ₹ 0.50/- (Previous Year ₹ 1.50/-)		5996165		17988494
Tax on Dividend		1227415		3057145
Surplus - Closing Balance		109360671		110138309
		1083866465		1083032618

(\*) Created by way of transfer of specified percentage of profits as per Section 451C of Reserve Bank of India (Amendment) Act,1997. Appropriation from Reserves shall be for the purposes as may be specified by Reserve Bank of India.





4. LONG TERM BORROWINGS

Particulars	As at 31st March, 2015 (In ₹)		As at 31st March, 2014 (In ₹)	
	Non-Current	Current	Non-Current	Current
Term Loan From Bank - Secured * (Secured against Hypothecation of Vehicle financed)	134569	785235	919804	714362
	134569	785235	919804	714362

(\*) The Loan taken is at Interest rate of 9.5% P.A.

Maturity Profile of Secured Term Loan from bank is as under:

- Vehicle Loan from ICICI Bank	1-2 years	2-3 years
	134569	0

5. LONG TERM PROVISIONS

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>Provisions For Employees Benefit</b>		
Leave encashment	973203	868291
<b>Others</b>		
Contingent provision against Standard Assets	86271	86271
	1059474	954562

6. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
Current Maturities of Long term Debt (Refer Note No. 4)	785235	714362
Unclaimed Dividend *	14022437	13223099
Expenses Payable	814751	921506
TDS Payable	207339	151379
	15829762	15010346

(\*) There is no amount due and outstanding to be transferred to Investor Education & Protection Fund.

7. SHORT TERM PROVISIONS

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>Provisions For Employees Benefit</b>		
Leave encashment	21711	21624
<b>Others</b>		
Income Tax	175554	10120901
Doubtful Debt and Advances	1895832	1895832
Proposed Dividend	5996165	17988494
Tax on Dividend	1227415	3057145
Contingent provision against Standard Assets	915625	891250
	10232302	33975246

8. FIXED ASSETS

(Amount In ₹)

S. No.	Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		As at 01.04.2014	Addition during the year	Deduction during the year	As at 31.03.2015	up to 31.03.2014	For the year (a)	Adjustments during the year (b)- Refer Note no. 32	Total depreciation for the year (a+b)	Total up to 31.03.2015	As on 31.03.2015	As on 31.03.2014
1	<b>Tangible Assets</b>											
1	Furnitures & Fixtures	21643	0	0	21643	20384	0	177	177	20561	1082	1259
2	Vehicles	2821050	0	0	2821050	302943	331513	0	331513	634456	2186594	2518107
3	Office Equipment	278276	0	0	278276	215366	0	48996	48996	264362	13914	62910
4	Data Processing Machine	249803	0	0	249803	233780	0	3533	3533	237313	12490	16023
	<b>Total</b>	3370772	0	0	3370772	772473	331513	52706	384219	1156692	2214080	2598299
	(Previous Year)	2214444	2756878	1600550	3370772	1335976	357141	920644	1277785	772473	2598299	878468

9. INVESTMENTS

Name of the Company	Face Value (In ₹)	As at 31st March, 2015		As at 31st March, 2014	
		Qty. (Nos.)	Amount (In ₹)	Qty. (Nos.)	Amount (In ₹)
<b>NON CURRENT INVESTMENTS (AT COST)</b>					
<b>(LONG TERM INVESTMENTS)</b>					
<b>A. TRADE INVESTMENTS (QUOTED)</b>					
<b>INVESTMENT IN EQUITY INSTRUMENTS</b>					
<b>- FULLY PAID UP EQUITY SHARES</b>					
Ahluwalia Contracts (I) Limited	2	286	25485	0	0
Crompton Greaves Limited	2	11027	46449	11027	46449
H S I L Limited	2	2500	46500	2500	46500
HB Estate Developers Limited	10	2041587	69899800	0	0
IDBI Limited	10	0	0	70000	6208096
The Indian Hotels Limited	1	0	0	100000	5728253
Jaiprakash Associates Limited	2	2836657	94792362	3281657	109662895
Jaypee Infratech Limited	10	425353	17357328	430353	17561362
RRB Securities Limited	10	100000	10000000	100000	10000000
Sumit Securities Limited	10	2837	689305	2837	689305
Tata Global Beverages Limited	1	1000	67814	1000	67814
<b>TOTAL (A) (TRADE INVESTMENTS)</b>		<b>5421247</b>	<b>192925043</b>	<b>3999374</b>	<b>150010674</b>
<b>B. NON TRADE INVESTMENTS (UNQUOTED)</b>					
<b>B.1 INVESTMENT IN EQUITY INSTRUMENTS</b>					
<b>- FULLY PAID UP EQUITY SHARES</b>					
<b>- IN WHOLLY OWNED SUBSIDIARY COMPANIES</b>					
HB Securities Limited	10	7207570	89075700	7207570	89075700
HB Corporate Services Limited	10	4251070	51010700	4251070	51010700
<b>- IN ASSOCIATE COMPANIES</b>					
Taurus Investment Trust Co. Limited	10	49040	498999	49040	498999
HB Insurance Advisors Limited	10	20010	200100	20010	200100
Taurus Asset Management Co. Limited	10	6275000	58140000	6275000	58140000
Pisces Portfolios Private Limited	10	0	0	3189980	69899800



Name of the Company	Face Value (In ₹)	As at 31st March, 2015		As at 31st March, 2014	
		Qty. (Nos.)	Amount (In ₹)	Qty. (Nos.)	Amount (In ₹)
<b>- IN OTHER COMPANIES</b>					
Har Sai Investments Limited	10	200000	2000000	200000	2000000
Kesoram Textiles Limited	10	49699	357071	49699	357071
<b>- PARTLY PAID UP EQUITY SHARES</b>					
<b>- IN ASSOCIATE COMPANY</b>					
Taurus Asset Management Co. Limited	10	1250000	37500000	1250000	37500000
<b>TOTAL (B.1)</b>		<b>19302389</b>	<b>238782570</b>	<b>22492369</b>	<b>308682370</b>
<b>B.2 INVESTMENT IN PREFERENCE SHARES</b>					
<b>FULLY PAID-UP REDEEMABLE PREFERENCE SHARE</b>					
HB Estate Developers Limited (9% Non Cumulative)	100	750000	75000000	750000	75000000
Gemini Portfolio Private Limited (9% Non Cumulative)	100	100000	10000000	0	0
Venus Portfolio Private Limited (9% Non Cumulative) (Previous year application money paid, allotted during the year)	100	1190000	119000000	1190000	119000000
<b>TOTAL (B.2)</b>		<b>2040000</b>	<b>204000000</b>	<b>1940000</b>	<b>194000000</b>
<b>B.3 INVESTMENT IN DEBENTURES (UNQUOTED, FULLY PAID UP, COMPULSORILY CONVERTIBLE DEBENTURES)</b>					
The Indian Hotels Co. Limited	55	27000	1485000	0	0
<b>TOTAL (B.3)</b>		<b>27000</b>	<b>1485000</b>	<b>0</b>	<b>0</b>
<b>B.4 INVESTMENT IN MUTUAL FUNDS</b>					
<b>FULLY PAID UP UNITS</b>					
Taurus Mutual Fund - Libra Tax Shield-96	10	400000	3836000	400000	3836000
SBI Multipliers	10	500	5220	500	5220
Taurus Mutual Fund - Taurus Bonanza Fund	10	138673	2095996	138673	2095996
Taurus Mutual Fund - Corpus		-	200000	-	200000
Taurus Liquid Fund - Direct plant-Super Institutional Plan	10	0	0	7257	10000000
<b>TOTAL (B.4)</b>		<b>539173</b>	<b>6137216</b>	<b>546430</b>	<b>16137216</b>
<b>B.5 PREFERENCE SHARES APPLICATION</b>					
Falcon Portfolio Management Private Limited (9% Non Cumulative)	100	500000	50000000	500000	50000000
HB Growth Fund Limited (9% Non Cumulative)	100	1000000	100000000	1000000	100000000
<b>TOTAL (B.5)</b>		<b>1500000</b>	<b>150000000</b>	<b>1500000</b>	<b>150000000</b>
<b>TOTAL (B) (NON TRADE INVESTMENTS) (B.1+B.2+B.3+B.4+B.5)</b>		<b>23408562</b>	<b>600404786</b>	<b>26478799</b>	<b>668819586</b>
<b>TOTAL (A+B) - NON CURRENT / LONG TERM INVESTMENTS</b>		<b>28829809</b>	<b>793329829</b>	<b>30478173</b>	<b>818830260</b>

Notes

	As at March 31, 2015	As at March 31, 2014
9.1 Aggregate Amount of Quoted Investments	192925043	150010674
9.2 Market Value of Quoted Investments	102198255	209864961
9.3 Aggregate Amount of Unquoted Investments	600404786	668819586
9.4 Investment Costing ₹ 3,33,22,089/- (Previous Year ₹ 13,67,54,711/-) were lying Pledged / given as Margin as at the year end.		
9.5 In the opinion of the management no provision is required for Diminution amounting to ₹ 9,37,10,086/- (Previous Year ₹ 1,02,88,370/-) in the value of some of the Long term / Non current investment, as the same is considered to be temporary.		

10. DEFERRED TAX ASSETS

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>Deferred Tax Assets</b>		
Leave Encashment	322800	288733
Fixed Assets	42286	43737
	<b>365086</b>	<b>332470</b>

11. LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>(Unsecured, Considered Good)-Standard</b>		
Security Deposits *	34508440	34508440
	<b>34508440</b>	<b>34508440</b>

(\*) Includes Deposits given to Related Party - Refer Note No. 23

12. TRADE RECEIVABLES

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>(Unsecured, Considered Good)</b>		
a) Outstanding exceeding six months	0	0
b) Others (Due from Related Parties - Refer Note No. 23)	0	9849004
	<b>0</b>	<b>9849004</b>

13. CASH & BANK BALANCES

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>Cash &amp; Cash equivalents</b>		
<b>Balances with Banks</b>		
- In Current Accounts	17195527	12965015
- Cash-in-Hand	296333	283928
<b>Other Bank Balances</b>		
- In Earmarked Unpaid Dividend Account	14022437	13223099
	<b>31514297</b>	<b>26472042</b>



14. SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>Unsecured, Considered Good, Unless otherwise stated:</b>		
Loans and Advances to Related Parties (Refer Note No. 23) - Standard	90000000	157250000
<b>Others</b>		
Inter Corporate Deposits - Standard	35000000	0
Advance against share application Money / Securities / Property - Standard	241250000	199250000
	<b>366250000</b>	<b>356500000</b>

15. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
Interest accrued but not due on Loans *	2856823	4846685
Dividend Receivable	0	2550
Claim Recoverable - Doubtful	1895832	1895832
Other Recoverable **	847774	716583
	<b>5600429</b>	<b>7461650</b>

(\*) Includes due from Related Party ₹ 23,96,713/- (Previous Year ₹ 48,46,685/-) Refer Note No. 23.

(\*\*) Includes Prepaid Expenses, Imprest for expenses and Claim Recoverable.

16. REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Profit on sale of Long term / Non current Investments (Net)	16112583	65175229
Interest Income on Loans and intercorporate deposits (Tax deducted at Source ₹ 11,31,122/- (Previous Year ₹ 10,80,000/-))	11311234	10800000
-Dividend on Long Term / Non current Investments (Gross)	77020	3513664
	<b>27500837</b>	<b>79488893</b>

Considering the nature / activities of Company, the Income from Investment and Finance activities are shown Operational Income.

17. OTHER INCOME

(Amount in ₹)

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Interest on Fixed Deposits (Tax Deduction at Source ₹ Nil/- (Previous year ₹ 3779/-))	0	37785
Liability / Provision no longer required written back	0	464920
Other Income (Tax deducted at Source ₹ 12,000/- (Previous Year ₹ 12000/-))	610000	1534442
	<b>610000</b>	<b>2037147</b>

18. EMPLOYEE BENEFIT EXPENSES

(Amount in ₹)

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Salaries and Benefits	7306826	6727833
Contribution to Provident fund and other fund	612213	579987
Staff welfare	19084	20715
	<b>7938123</b>	<b>7328535</b>

19. FINANCE COSTS

(Amount in ₹)

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Interest expense on vehicle loan	124630	133326
Interest on Income Tax	2589612	2032861
	<b>2714242</b>	<b>2166187</b>

20. OTHER EXPENSES

(Amount in ₹)

Particulars	For the Year ended 31st March, 2015		For the Year ended 31st March, 2014	
	Qty. (Nos.)	Amount (₹)	Qty. (Nos.)	Amount (₹)
Rent / Facility Charges		967692		967692
Vehicle Running and Maintenance		266611		248305
Insurance		48193		17622
Travelling & Conveyance		480977		254869
Communication		1198340		808019
Printing & Stationery		996919		653451
Legal & Professional		391243		552180
Loss on sale of fixed asset		0		324906
Listing Fee		112360		44944
Advertisement		112161		210713
Director Sitting fees		393260		460303
Depository and Custodial		51748		91054
Miscellaneous		317062		330624
Auditors Remuneration				
- Audit Fees	112360			112360
- Tax Audit Fees	16854			16854
- Income Tax Matters	8500			39326
- Certification and others	50786	188500		96067
		<b>5525067</b>		<b>5229289</b>

21. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Contingent Liabilities

(a) Guarantees given on behalf of Subsidiary Company, HB Securities Limited ₹ 15,00,00,000/- (Previous Year ₹ 15,00,00,000/-)

Commitments

(b) ₹ 1,25,00,000/- (Previous Year ₹ 1,25,00,000) on account of uncalled call money in respect of Partly Paid up Shares.

22. QUANTITATIVE DETAILS

Quantitative information in respect of Investments in Securities:

NON CURRENT / LONG TERM INVESTMENTS  
EQUITY INSTRUMENTS

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	Amount (₹)	Qty. (Nos.)	Amount (₹)
Opening Balance	26491743	458693044	29336152	567717657
Purchases/Conversions /Subscription	2144000	9125967	550353	21990262
Sales/conversions	3912107	51512237	3394762	154455910
<b>Closing Balance</b>	<b>24723636</b>	<b>431707613</b>	<b>26491743</b>	<b>458693044</b>

PREFERENCE SHARES

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	Amount (₹)	Qty. (Nos.)	Amount (₹)
Opening Balance	3440000	344000000	1940000	194000000
Purchases/Conversions /Subscription	100000	10000000	1500000	150000000
Sales/Redemption	0	0	0	0
<b>Closing Balance</b>	<b>3540000</b>	<b>354000000</b>	<b>3440000</b>	<b>344000000</b>

DEBENTURES

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	Amount (₹)	Qty. (Nos.)	Amount (₹)
Opening Balance	0	0	0	0
Purchases/Conversions /Subscription	27000	1485000	0	0
Sales/Conversions/Redemption	0	0	0	0
<b>Closing Balance</b>	<b>27000</b>	<b>1485000</b>	<b>0</b>	<b>0</b>

MUTUAL FUNDS

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	Amount (₹)	Qty. (Nos.)	Amount (₹)
Opening Balance	546430	16137216	2289173	32587905
Purchases/Conversions /Subscription	14266	20000000	7257	10000000
Sales/Conversions	21523	30711743	1750000	68184882
<b>Closing Balance</b>	<b>539173</b>	<b>6137216</b>	<b>546430</b>	<b>16137216</b>



23. RELATED PARTY TRANSACTIONS

23.1 List of related parties with whom transactions have taken place and relationship:

- a) **Subsidiaries:**
1. HB Securities Limited
  2. HB Corporate Services Limited
- b) **Key Managerial Personnel (KMP):**
1. Shri Anil Goyal, Managing Director
  2. Shri Dinesh Kapoor, Company Secretary (w.e.f 16th April, 2014)
  3. Ms. Nishu Tomar, Company Secretary (up to 15th April, 2014)
- c) **Person having control/significant influence/major shareholders:**
1. Shri Lalit Bhasin

d) **Enterprises over which control/significant influence exist of the relatives of persons mentioned in (c) above:**

1. RRB Master Securities Delhi Limited

e) **Companies under direct or indirect common control/significant influence:**

1. HB Stockholdings Limited
2. HB Estate Developers Limited
3. RRB Masterholdings Limited
4. RRB Securities Limited

f) **Associates:**

1. Merwanjee Securities Limited
2. Taurus Asset Management Co. Limited
3. Pisces Portfolios Private Limited (Erstwhile Associate)
4. HB Insurance Advisors Limited

23.2 Transactions during the year with related Parties are as under.

(Amount in ₹)

Sr. No.	Nature of Transaction	Related Party referred in (a) above	Related Party referred in (b) above	Related Party referred in (c) above	Related Party referred in (d) above	Related Party referred in (e) above	Related Party referred in (f) above
1	Purchase of Investments through them	Nil (Nil)	Nil (Nil)	Nil (Nil)	9125968 (21990262)	Nil (Nil)	Nil (Nil)
2	Sale of Investment / Securities through them	Nil (Nil)	Nil (Nil)	Nil (Nil)	51512238 (149147950)	Nil (Nil)	Nil (Nil)
3	Depository Charges Paid	9869 (49175)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
4	Loans / Advances / Margin Given	15000000 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
5	Loan / Advance / Margin Received / recovered	72250000 (3400000)	Nil (Nil)	Nil (Nil)	Nil (18250000)	Nil (Nil)	10000000 (Nil)
6	Reimbursement of expenses	45946 (10118)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	20000 (15000)
7	Remuneration and other services	Nil (Nil)	6350914 (5955920)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
8	Sitting Fee	Nil (Nil)	Nil (Nil)	40000 (50000)	Nil (Nil)	Nil (Nil)	Nil (Nil)
9	Dividend paid	Nil (Nil)	Nil (Nil)	11136456 (11136456)	Nil (Nil)	201240 (201240)	Nil (Nil)
10	Interest Income on loan	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	10800000 (10800000)	Nil (Nil)
11	Rent Paid	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	967692 (967692)	Nil (Nil)
12	Dividend Received	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (55480)	Nil (Nil)
13	Amount received against sale of Investment and Dividend Receivable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (6213674)
14	<b>Outstanding as on 31.03.2015</b>						
	- Receivable in respect of Expenses recoverable	132332 (86386)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	35000 (15000)
	- In respect of Security Deposit Paid for Premises on Rent	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	34500000 (34500000)	Nil (Nil)
	- Receivables in respect of Loan, advances and Interest receivable	Nil (57250000)	Nil (Nil)	Nil (Nil)	Nil (Nil)	92396713 (94846685)	Nil (10000000)
	- Trade Receivables	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (9849004)	Nil (Nil)	Nil (Nil)
	- Guaranties given	150000000 (150000000)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	- Book value of Shares given as margin/security	33322089 (136754711)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

Note : Figures in brackets related to previous year.

23.3 Disclosure in respect of outstanding closing balance of related party transactions.

- i) Security Deposit given includes ₹ 3,45,00,000/- (Previous year ₹ 3,45,00,000/- ) to HB Estate Developers Ltd.
- ii) Loan and advances includes loan of ₹ 9,00,00,000/- (Previous year ₹ 9,00,00,000/-) to HB Estate Developers Ltd, Advances against Share Application Money of ₹ Nil (Previous year ₹ 3,72,50,000/- ) to HB Securities Ltd.; ₹ Nil (Previous year ₹ 2,00,00,000/-) to HB Corporate Services Ltd. and ₹ Nil (Previous year ₹ 1,00,00,000/-) to Merwanjee Securities Ltd.
- iii) Expenses recoverable includes ₹ 1,32,332/- (Previous year ₹ 86,386/) from HB Corporate Services Ltd. and ₹ 35,000/- (Previous year ₹ 15,000/-) from HB Insurance Advisors Ltd.
- iv) Interest receivable includes ₹ 23,96,713/- (Previous year ₹ 48,46,685/-) from HB Estate Developers Ltd.
- v) Guarantee given in respect of HB Securities Ltd. ₹ 15,00,00,000/- (Previous year ₹ 15,00,00,000/-)
- vi) Trade Receivables includes ₹ Nil (Previous Year ₹ 98,49,004/-) due from RRB Master Securities Delhi Ltd.



**24. SEGMENT REPORTING**

In the opinion of Management there are no separate reportable segments as per Accounting Standard Segment reporting (AS-17).

**25. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD - 15**

**Defined Contribution Plan**

Amount recognized as expense for defined contribution plans are as under:

Particulars	Current Year	Previous Year	Head under which shown in the Profit & Loss account
Contribution to Provident Fund	5,62,376/-	5,17,773/-	Contribution to Provident fund and other fund.
Contribution to superannuation fund	1,00,000/-	1,00,000/-	Contribution to Provident fund and other fund.

**Defined Benefit Plan**

Movement in net liability

Particulars	Gratuity (Funded) (₹)		Leave Encashment (Unfunded) (₹)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligations as at beginning of the year (A)	36,50,270/-	34,26,676/-	8,89,915/-	8,25,812/-
Interest Cost (B)	2,92,022/-	2,74,134/-	71,193/-	74,323/-
Current service cost (C)	1,61,018/-	1,58,429/-	55,266/-	39,674/-
Benefits paid (D)	(1,68,000/-)	Nil	(2,47,173/-)	(1,56,000/-)
Actuarial loss / (gain) on obligation (E)	(1,50,987/-)	(2,08,969/-)	2,25,713/-	1,06,106/-
Present value of obligations as at the end of the year (F=A+B+C-D+E)	37,84,323/-	36,50,270/-	9,94,914/-	8,89,915/-

The amounts recognized in the Balance Sheet and Profit & Loss Account are as follows:

Particulars	Gratuity (Funded) (₹)		Leave (Unfunded) (₹)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligation (A)	37,84,323/-	36,50,270/-	9,94,914/-	8,89,915/-
Estimated fair value of plan assets (B)	43,24,038/-	41,33,682/-	0.00	0.00
Net Liability/(Asset) (C=A-B)	(5,39,715/-)	(4,83,412/-)	9,94,914/-	8,89,915/-
<b>Amounts in the Balance Sheet</b>				
Liabilities/(Asset)	(5,39,715/-)	(4,83,412/-)	9,94,914/-	8,89,915/-
<b>Amount charged to Profit &amp; Loss Account</b>				
Current Service Cost	1,61,018/-	1,58,429/-	55,266/-	39,674/-
Interest Cost	2,92,022/-	2,74,134/-	71,193/-	74,323/-
Expected Return on Plan Asset	(3,52,216/-)	(2,61,380/-)	0.00	0.00
Actuarial(Gain)/Loss	(1,50,987/-)	(2,08,969/-)	2,25,713/-	1,06,106/-
	(50,163/-)	(37,786/-)	3,52,172/-	2,20,103/-
Head under which shown in the Profit & Loss account	Contribution to Provident fund and other fund.		Salaries and Benefits	

The Actual Return on Plan Assets is as follows:

Particulars	Gratuity	
	Current Year	Previous Year
Actual return on plan assets	3,52,216/-	2,61,380/-

Following are the Principal Actuarial Assumptions used as at the Balance Sheet date:

Particulars	Gratuity	
	Current Year	Previous Year
Discount Rate	8%	8%
Expected Rate of Return on Plan Assets	9%	9%
Salary Escalation Rate	6%	6%

A reconciliation of the opening and closing balances of the fair value of plan assets:

Sl. No.	Particulars	Gratuity	
		Current Year	Previous Year
	Opening Fair Value of Plan Assets	41,33,682/-	38,72,302/-
i)	Expected Return on Plan Assets	3,52,216/-	2,61,380/-
ii)	Actuarial Gains / (Losses)	Nil	Nil
iii)	Contribution by the Employer	6,140/-	Nil
iv)	Benefits Paid	(1,68,000)	Nil
	Closing Fair Value of Plan Assets	43,24,038/-	41,33,682/-

**26. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD AS-19 FOR LEASES**  
**Operating Lease**

a) Particulars of the minimum lease payments under Operating Lease:-

Not Later than One year ₹ 9,67,692/- (Previous Year ₹ 9,67,692/-)

Later than one year but not ₹ NIL (Previous Year ₹ NIL)

Later than five years

Later than five years ₹ NIL (Previous Year ₹ NIL)

b) Minimum lease payments recognised in the statement of profit & loss account during the year ended 31st March 2015 is ₹ 9,67,692/- (Previous Year ₹ 9,67,692/-).

c) General description of the lease arrangement.

- The Lessee shall not sublet or otherwise part with possession of a part or whole of the premise without the previous consent in writing of the lessor.

- The Lessee shall use the premises for commercial purposes only.

**27. DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES**

To the extent information available with the Company, it has no dues to the Micro, Small and Medium enterprises as at 31st March, 2015 and 31st March, 2014.

**28. DISCLOSURE OF LOANS/ADVANCES IN THE NATURE OF LOANS IN TERMS OF PROVISION OF CLAUSE 32 OF LISTING AGREEMENT WITH STOCK EXCHANGES**

S. No.	Particulars	Outstanding Balance as on 31.03.2015	Max. Balance outstanding during the year	Outstanding Balance as on 31.03.2014	Max. Balance outstanding during the previous year
i.	Loans & Advances in the nature of Loans to Subsidiaries.	Nil	Nil	Nil	Nil
ii.	Loans & Advances in the nature of loans to Associates.	Nil	Nil	Nil	Nil
iii.	Loans & Advances in the nature of loans where there is no repayment schedule, no interest or interest below Section 372A of the Companies Act,1956	Nil	Nil	Nil	Nil
iv.	Loans & Advances in the nature of loans to firms/companies in which directors are interested.* HB Estate Developers Ltd. * Loan given at Market rate of Interest. The balance shown is inclusive of interest receivable.	9,23,96,713/-	9,73,23,289/-	9,48,46,685/-	9,48,99,946/-
v.	Investments by Loanee in the Shares of parent company and subsidiary company when the company has made loan or advance in the nature of Loan.	No. of Shares	Amount	No. of Shares	Amount
		Nil	Nil	Nil	Nil

**29. EARNING PER SHARE PURSUANT TO ACCOUNTING STANDARD (AS-20) "EARNING PER SHARE"**

Particulars	Current Year (in ₹)	Previous Year (in ₹)
Net Profit as Per Statement of Profit and Loss attributable to Equity Shareholders.	8057427	51262458
<b>Earning Per Share (face value of ₹ 10 each)</b>		
Weighted Average Nos. of Equity Share Outstanding	1,19,92,329	1,19,92,329
<b>Basic and diluted Earning per share (₹)</b>	0.67	4.27





**30. DIVIDEND PAID TO NON-RESIDENT SHAREHOLDERS**

The Company has not remitted any dividend in foreign currency and does not have information as to the extent to which remittance, if any, in foreign currency on account of dividends have been made by / on behalf of Non-Resident Shareholders. The Particulars of dividend paid to Non-Resident Shareholders are as under:-

S. No.	Particulars	Current Year	Previous Year
a	No. of Non-Resident Shareholders	622	639
b	No. of Equity Shares held by them	116917	104584
c	i) Amount of Dividend Paid (Gross) (₹)	1,75,376/-	1,56,876/-
	ii) Tax deduction at source	—	—
	iii) Year to which dividend relates	2013-14	2012-13

31. The Company made an application for issue of Certificate of Registration with Reserve Bank of India (RBI) under Section 45IA of the Reserve Bank of India Act, 1934. The application of the Company was, however, returned by RBI vide its letter dated December 24, 2004 with an advice to resubmit the application on the completion of SEBI's enquiry against the group companies. In an Appeal filed by the Company before the Appellate Authority (in the Ministry of Finance) against the aforesaid decision of RBI, the Appellate Authority vide its Order dated September 25, 2006, directed the Company to resubmit the application along with the latest balance sheets and other relevant details within 30 days to RBI and RBI to thereafter decide the case by obtaining necessary response from SEBI within 3 months from the date of receipt of the Order. The Company resubmitted its application to RBI's Regional Office at New Delhi on 23rd October, 2006 as per the aforesaid directions of the Appellate Authority. Additional details / documents / clarifications as required by RBI from time to time were submitted.

The Company vide its letters dated 11th October, 2010 and 29th January, 2011 intimated the RBI about the disposal of pending proceeding by the SEBI and also furnished copy of SEBI orders. The RBI vide its letter dated 29th March, 2011 advised the Company to make a fresh application for issue of Certificate of Registration. As directed by RBI, the Company filed a fresh application on 20th June, 2011. The necessary queries / information raised / sought by RBI from time to time were filed.

Thereafter, the Company was advised by the Reserve Bank of India vide its letter dated 30th January, 2013 to file fresh application for registration as NBFC and accordingly the Company submitted the fresh application along with required documents / information on 29th July, 2013. The Reserve Bank of India again returned the application for submission of additional documents / information vide its letter dated 16th August, 2013 and accordingly the Company submitted the fresh application along with required documents / information on 19th March, 2014. The information / clarifications sought thereafter by RBI have also been submitted by the Company.

31.1 In view of the above facts, the provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directors, 2007) as Superseded by "Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 are yet to be applicable to the Company. However, as a matter of prudent and proper practice, disclosure of details as required by Para 13 of aforesaid directions is being given. Similarly the transfer of profit to Reserve Fund as required by Reserve Bank of India (Amendment) Act, 1997 is also being made.

32. During the year, the Company has revised depreciation rates on fixed assets as per the useful life specified in Schedule II to the Companies Act, 2013. Based on the Current estimates, depreciation of ₹ 52,706/- on account of assets whose useful life has already exhausted as on April 1, 2014 has been added to the depreciation for the year ended March 31, 2015.

Due to aforesaid revision in depreciation rates, depreciation for the year as charged in the Profit & Loss account is higher by ₹ 85,719/-.

33. Schedule as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 as Superseded by "Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

(₹ in lacs)

Particulars		
<b>LIABILITIES SIDE:</b>		
<b>(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>	<b>Amount outstanding</b>	<b>Amount overdue</b>
(a) Debentures : Secured	Nil	Nil
: Unsecured	(Nil)	(Nil)
(other than falling within the meaning of public deposits)	Nil	Nil
(b) Deferred Credits	(Nil)	(Nil)
(c) Term Loans	Nil	Nil
(d) Inter-corporate loans and borrowing	(Nil)	(Nil)
(e) Commercial Paper	Nil	Nil
(f) Other Loans (Vehicle Loan)	9.20	Nil
	(16.34)	(Nil)

ASSETS SIDE :		Amount outstanding*
<b>(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>		
(a) Secured		Nil
(b) Unsecured		(Nil)
		4036.15
		(4057.07)
*Net of Provisions Other than on Standard Assets; Also includes Security deposits trade receivables and other advances not strictly credit exposure.		
<b>(3) Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities</b>		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease		Nil
(b) Operating lease		(Nil)
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire		Nil
(b) Repossessed Assets		(Nil)
(iii) Hypothecation loans counting towards EL/HP activities		
(a) Loans where assets have been repossessed		Nil
(b) Loans other than (a) above		(Nil)
<b>(4) Break-up of Investments :</b>		
<b>Current Investments</b>		
<b>1. Quoted :</b>		
(i) Shares : (a) Equity		Nil
(b) Preference		(Nil)
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		(Nil)
(iv) Government Securities		Nil
(v) Others (please specify)		(Nil)
<b>2 Unquoted :</b>		
(i) Shares : (a) Equity		Nil
(b) Preference		(Nil)
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		(Nil)
(iv) Government Securities		Nil
(v) Others (please specify)		(Nil)
<b>Long Term investments</b>		
<b>1. Quoted :</b>		
(i) Shares : (a) Equity		1929.25
(b) Preference		(1500.11)
(ii) Debentures and Bonds		Nil
(iii) Units of mutual funds		(Nil)
(iv) Government Securities		Nil
(v) Others (please specify)		(Nil)
<b>2. Unquoted :</b>		
(i) Shares : (a) Equity		2387.83
(b) Preference		(3086.82)
(ii) Debentures and Bonds		2040.00
(iii) Units of mutual funds		(1190.00)
(iv) Government Securities		14.85
(v) Others (SAM)		(Nil)
		61.37
		(161.37)
		Nil
		(Nil)
		1500.00
		(1500.00)



(5) Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	Amount net of provisions		
	Secured	Unsecured	Total
<b>1. Related Parties</b>			
(a) Subsidiaries	Nil (Nil)	Nil (572.50)	Nil (572.50)
(b) Companies in the same group	Nil (Nil)	1268.97 (1391.96)	1268.97 (1391.96)
(c) Other related parties	Nil (Nil)	Nil (100.00)	Nil (100.00)
<b>2. Other than related parties</b>	Nil (Nil)	2767.18 (1992.61)	2767.18 (1992.61)
<b>Total</b>	<b>Nil (Nil)</b>	<b>4036.15 (4057.07)</b>	<b>4036.15 (4057.07)</b>

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):\*

Category	Market Value / Breakup or fair value or NAV(*)	Book Value (Net of Provisions)
<b>1. Related Parties</b>		
(a) Subsidiaries	1252.64 (1299.10)	1400.86 (1400.86)
(b) Companies in the same group	959.15 (770.00)	1548.99 (850.00)
(c) Other related parties	1049.42 (2206.98)	963.39 (1662.39)
<b>2. Other than related parties</b>	4836.32 (5146.38)	4020.06 (4275.05)
<b>Total</b>	<b>8097.53 (8422.46)</b>	<b>7933.30 (8188.30)</b>

(7) Other information

Particulars	₹ in Amount
(i) Gross Non-Performing Assets	Nil (Nil)
(a) Related parties	Nil (Nil)
(b) Other than related parties	Nil (Nil)
(ii) Net Non-Performing Assets	Nil (Nil)
(a) Related parties	Nil (Nil)
(b) Other than related parties	Nil (Nil)
(iii) Assets acquired in satisfaction of debt	Nil (Nil)

3. Asset Liability Management

Maturity pattern of certain items of assets and liabilities

(₹ In lacs)

	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
<b>Liabilities</b>									
Borrowings from banks	0.62 (0.56)	0.63 (0.57)	0.63 (0.58)	1.93 (1.77)	4.04 (3.66)	1.35 (9.20)	Nil (Nil)	Nil (Nil)	9.20 (16.34)
Market Borrowings-Inter Corporate Loan	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
<b>Assets</b>									
Advances/Drs	28.56 (145.00)	Nil (Nil)	Nil (Nil)	Nil (Nil)	3662.59 (3567.07)	345.00 (345.00)	Nil (Nil)	Nil (Nil)	4036.15 (4057.53)
Investments (net of provision)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	7933.30 (8188.30)	7933.30 (8188.30)

Note: Figure in Bracket relates to Previous Year.

34. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.  
 35. The Company does not have any pending litigation which would impact its financial position.  
 36. The Previous year figures have been regrouped/reclassified, wherever necessary to conform to the Current Year's presentation.

The accompanying notes form an integral part of the standalone financial statements  
 As per our Report attached on even date

For P. BHOLUSARIA & CO.  
 Chartered Accountants  
 Firm Registration No. : 000468N

AMIT GOEL  
 (Partner)  
 Membership No.: 092648

Place : Gurgaon  
 Date : 28th May, 2015

Additional Disclosure:

1. CRAR	
Items	%
i) CRAR (%)	95.72 (91.95)
ii) CRAR - Tier I capital (%)	95.59 (91.83)
iii) CRAR - Tier II capital (%)	0.13 (0.12)
<b>2. Exposures Exposure to Real Estate Sector</b>	
<b>Category</b>	<b>Amount ₹ in Lacs</b>
a) Direct Exposure	
(i) Residential Mortgages -	Nil (Nil)
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs.15 lakh may be shown separately)	Nil (Nil)
(ii) Commercial Real Estate -	Nil (Nil)
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	Nil (Nil)
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -*	Nil (Nil)
a. Residential,	
b. Commercial Real Estate.	Nil (Nil)
b) Indirect Exposure	Nil (Nil)
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	Nil (Nil)

\* The Company has made certain investments in equity shares of the companies which are in the real estate sector. The same are reflected in the Balance Sheet. However, since these investments are not Mortgage backed securities / other securitized exposures, the same are not mentioned here.

For and on behalf of the Board

ANIL GOYAL  
 (Managing Director)

J.M.L. SURI  
 (Director)

DINESH KAPOOR  
 (Company Secretary)



**INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To,  
The Members  
Of HB PORTFOLIO LIMITED

**1. Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated Financial Statements of **HB PORTFOLIO LIMITED** (hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group") and its Associates, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Consolidated Financial Statements").

**2. Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

**3. Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

**4. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its Associates as at 31st March, 2015 and their consolidated loss and their consolidated cash flows for the year ended on that date.

**5. Other matters**

- We did not audit the financial statements / financial information of two Subsidiaries, whose financial statements / financial information reflect total assets of ₹ 22,50,71,350/- as at 31st March, 2015, total revenues of ₹ 28,83,028/- and net cash flows amounting to ₹ (33,31,964/-) for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- The Consolidated Financial Statements also include the Group's share of net profit of ₹ 3,51,82,380/- for the year ended 31st March, 2015, as considered in the Consolidated Financial Statements, in respect of four Associates, whose financial statements / financial information have not been audited by us. In respect of three Associates, financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Associates and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid Associates is based solely on such unaudited financial statements / financial information. (Also refer Note No. 24 and 34 of Consolidated Financial Statement). Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company and Subsidiary Companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by Section 143(3) of the Act, we report, to the extent applicable, that:**
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its Subsidiary Companies and certificate from management of Associate Companies where the financial statements are unaudited, none of the directors of the Group Companies and its Associate Companies is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - There were no pending litigations which would impact the consolidated financial position of the Group and its Associates;
    - The Group and its Associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Companies and Associate Companies.

For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Registration No.: 000468N  
AMIT GOEL  
(Partner)  
Membership No.: 092648

Place : Gurgaon  
Date : 28th May, 2015

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

(Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Our reporting on the Order includes Subsidiary Companies incorporated in India on which the auditors have reported on in accordance with the Order. Our report in respect of these Subsidiaries is based solely on the reports of other auditors.

- In respect of the fixed assets of the Holding Company and its aforesaid Subsidiaries:
  - The respective entities have maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - As explained to us and based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, the management of the respective entities during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the respective entities and nature of its assets. No material discrepancies were noticed on such physical verification.
- In respect of the inventories of the Holding Company and its aforesaid Subsidiaries:
  - As explained to us and based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, inventories have been physically verified by the management of the respective Subsidiaries at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.
  - In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, the procedure of physical verification of inventories followed by the respective management of Subsidiary Companies were reasonable and adequate in relation to the size of the Holding Company and its respective Subsidiaries and the nature of its business.
  - Based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, the Subsidiary Companies have maintained proper records of inventories. As explained to us there is not any discrepancies noticed on physical verification of inventory as compared to the book records.
- According to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, the Holding Company had granted unsecured loans of ₹ 9,00,00,000/- during the earlier years to one Company covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). The year end balance and maximum amount outstanding at any time during the year of such loan is ₹ 9,00,00,000/-.
  - The loanee Company is regular in payment of interest and principal as stipulated.
  - There is no overdue amount receivable.
- In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, there is an adequate internal control system commensurate with the size of the Holding Company and its aforesaid Subsidiaries and the nature of its business for the purchases of inventory and fixed assets and sale of goods and services. During the course of our audit and based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, we have not observed any major weakness in the internal control system.



5. In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, the Holding Company and its aforesaid Subsidiaries have not accepted deposits during the year and do not have any unclaimed deposits. Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company and its aforesaid Subsidiaries.
6. The nature of the Holding Company and its aforesaid Subsidiaries business / activities is such that maintenance of Cost Records under section 148(1) of the Act is not applicable to the Holding Company and its aforesaid Subsidiaries.
7. a) According to the records of the Holding Company and based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Value Added Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax, Cess and other statutory dues to the extent and as applicable to the Holding Company and its aforesaid Subsidiaries have been generally regularly deposited by the Holding Company and its aforesaid Subsidiaries during the year with the appropriate authorities. According to the information and explanations given to us based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2015 for a period of more than six months from the date of becoming payable except for ₹ 10,80,000/- on account of Advance Tax installments for June and September, 2014 quarters in respect of Holding Company.
- b) According to the records of the Holding Company and aforesaid Subsidiary based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiary, there are no disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities.
- c) In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries,

- there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its aforesaid Subsidiaries in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
8. The accumulated losses of the Group at the end of financial year are less than fifty percent of its net worth. The Group has incurred cash losses during the financial year covered by our audit but not incurred cash losses in the immediately preceding financial year.
9. Based on our audit procedures and according to the information and explanation given to us and based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, we are of the opinion that the Holding Company and its aforesaid Subsidiaries has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
10. According to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, the Group has not given guarantees for loans taken by others from banks or financial institutions.
11. According to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries the respective entities has not raised any term loans during the year. The outstanding vehicle loan raised from bank in the earlier year was utilized for that purpose.
12. In our opinion and according to the information and explanation given to us based on the auditors' report issued in accordance with the Order on the aforesaid Subsidiaries, no material fraud on or by the Holding Company and its aforesaid Subsidiary has been noticed or reported during the course of our audit.

For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Registration No.: 000468N  
AMIT GOEL  
(Partner)  
Membership No.: 092648

Place : Gurgaon  
Date : 28th May, 2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note(s)	As at	
		31st March, 2015 (In ₹)	31st March, 2014 (In ₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	142659589	142659589
Reserves and Surplus	3	1084496740	1134818016
		<b>1227156329</b>	<b>1277477605</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	134569	919804
Long Term Provisions	5	1139089	1032103
		<b>1273658</b>	<b>1951907</b>
<b>Current Liabilities</b>			
Short term borrowings	6	9908941	24367744
Other Current Liabilities	7	85372559	56305364
Short Term Provisions	8	10058918	31745427
		<b>105340418</b>	<b>112418535</b>
		<b>1333770405</b>	<b>1391848047</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible assets	9	3265318	5085858
Non-current investments	10	722699092	754709165
Deferred Tax Assets (Net)	11	242854	133148
Long term Loans and Advances	12	48155940	48155940
		<b>774363204</b>	<b>808084111</b>
<b>Current Assets</b>			
Inventories	13	13411	13411
Trade Receivables	14	20611	9858955
Cash and Bank Balances	15	59359134	57648844
Short-Term Loans and Advances	16	492968382	507418398
Other Current Assets	17	7045663	8824328
		<b>559407201</b>	<b>583763936</b>
		<b>1333770405</b>	<b>1391848047</b>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 to 37

The accompanying notes form an integral part of the consolidated financial statements As per our Report attached on even date

For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Registration No. : 000468N

For and on behalf of the Board

AMIT GOEL  
(Partner)  
Membership No.: 092648

ANIL GOYAL  
(Managing Director)

J.M.L. SURI  
(Director)

Place : Gurgaon  
Date : 28th May, 2015

DINESH KAPOOR  
(Company Secretary)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

Particulars	Note(s)	Year Ended	
		31st March, 2015 (In ₹)	31st March, 2014 (In ₹)
Revenue from operations	18	28000111	81405182
Other Income	19	2983885	4345317
<b>Total Revenue</b>		<b>30983996</b>	<b>85750500</b>
<b>Expenses:</b>			
Employee Benefit Expense	20	9314494	8644740
Finance Costs	21	3886099	2166187
Depreciation	9	1868753	784992
Other Expenses	22	8870902	9632154
Contingent Provision against Standard Assets		24375	250500
<b>Total Expenses</b>		<b>23964623</b>	<b>21478573</b>
Profit/(Loss) for the year before Depreciation adjustment for earlier years and Income Tax		7019373	64271927
Depreciation adjustment for earlier Years		0	838741
Profit/(Loss) for the year before Income Tax		7019373	65110668
<b>Tax Expense:</b>			
Current tax		3500000	15000000
Deferred Tax charge/(credit)		(109706)	60221
Tax adjustment for earlier years		217133	0
Profit/-Loss for the year after Taxation		<b>3411946</b>	<b>50050447</b>
Add: Share of Profit/(Loss) in Associates/erstwhile Associate		(46509642)	(36686296)
Profit/(Loss) for the year		<b>(43097696)</b>	<b>13364151</b>
<b>Earning per equity share:</b>	31		
Equity share of Par value ₹ 10/-each			
Basic and Diluted		-3.69	1.01

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 to 37

The accompanying notes form an integral part of the consolidated financial statements As per our Report attached on even date

For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Registration No. : 000468N

For and on behalf of the Board

AMIT GOEL  
(Partner)  
Membership No.: 092648

ANIL GOYAL  
(Managing Director)

J.M.L. SURI  
(Director)

Place : Gurgaon  
Date : 28th May, 2015

DINESH KAPOOR  
(Company Secretary)

# HB PORTFOLIO LIMITED (Consolidated Financial Statements)



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	(Amount in ₹) Year Ended 31st March, 2015	(Amount in ₹) Year Ended 31st March, 2014
<b>A) CASH FLOW FROM OPERATION ACTIVITIES</b>		
Adjustment for:		
Net Profit before tax and Extraordinary Items	-39597696	28364151
Depreciation	1868753	-53749
Interest on Income Tax	2589612	2032861
Loss on sale of Fixed Assets	0	572851
Contingent Provision against Standard Assets	24375	250500
<b>Operating Profit before Working Capital Changes</b>	<b>-35114956</b>	<b>29133753</b>
Adjustment for:		
Loans and advances and other Receivables	34177340	-127157524
Investments	32010073	12667098
Current and Non-Current Liabilities	21285356	37414458
<b>Cash Generated from operation</b>	<b>52357812</b>	<b>-47942215</b>
Income Tax paid	-12519358	-14685890
<b>Net Cash from Operation Activities</b>	<b>39838454</b>	<b>-62628105</b>
<b>B) CASH FLOW FROM INVESTMENTS ACTIVITIES</b>		
Purchase of Fixed Assets	-48213	-2839609
Sale of Fixed Assets	0	584200
<b>Net Cash used in Investing Activities</b>	<b>-48213</b>	<b>-2255409</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(-) Repayment of Borrowings	-15244038	-35345776
Interest on Income Tax	-2589612	-2032861
Dividend Paid	-17988494	-17988494
Tax on Dividend	-3057145	-3057145
<b>Net Cash used in Financing Activities</b>	<b>-38879289</b>	<b>-56391415</b>
<b>Net Increase in Cash &amp; Cash Equivalents A+B+C</b>	<b>910952</b>	<b>-121274929</b>
<b>Cash and Cash Equivalents</b> (Opening Balance)	<b>19813245</b>	<b>141088174</b>
<b>Cash and Cash Equivalents</b> (Closing Balance)	<b>20724197</b>	<b>19813245</b>
<b>Components of cash and cash equivalents at the end of the year</b>		
- Cash in Hand	496355	485241
<b>Balances with Scheduled Banks:</b>		
- In current accounts	20227842	19328004
	<b>20724197</b>	<b>19813245</b>

The accompanying notes form an integral part of the consolidated financial statements  
As per our Report attached on even date

For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Registration No. : 000468N

For and on behalf of the Board

AMIT GOEL  
(Partner)  
Membership No.: 092648

ANIL GOYAL  
(Managing Director)

J.M.L. SURI  
(Director)

Place : Gurgaon  
Date : 28th May, 2015

DINESH KAPOOR  
(Company Secretary)





**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS**

**1.1 PRINCIPLES OF CONSOLIDATION**

The Consolidated Financial Statements relate to HB Portfolio Limited (the Company) and its Subsidiary Companies, HB Securities Limited and HB Corporate Services Limited. The Consolidated Financial Statements have been prepared in accordance with Accounting Standard (AS-21) "Consolidated Financial Statements" on the following basis:

- a) The Financial Statements of the Company and the Subsidiary Companies have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profit or losses.
- b) As far as possible, the Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in the similar circumstances and are presented to, in the same manner as the Company's separate Financial Statements.
- c) In the case of Associates, where the Company directly or indirectly through Subsidiaries holds more than 20% of the equity (except where significant influence does not exist), Investments in Associates are accounted for using equity method in accordance with the Accounting Standard (AS)-23 "Accounting for Investments in Associates in Consolidated Financial Statements".
- d) The Company accounts for its shares in the change in net assets of the Associates, post acquisition after eliminating unrealized profit & loss resulting from transaction between the Company and its Associates to the extent of its share, through its profit & loss account to the extent such change in attributable to the Associate's profit and loss account and through its reserves for the balance, based on available information.

**1.2 INVESTMENTS**

Investments other than in Associates have been accounted as per Accounting Standard (AS)-13 "Accounting for Investment"

**1.3 OTHER SIGNIFICANT ACCOUNTING POLICIES**

**a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 the provisions of the Act (to the extent notified), guidelines issued by Reserve Bank of India and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or are vision to an existing Accounting Standard requires a change in the Accounting Policy hitherto in use.

**b) USE OF ESTIMATES**

The preparation of Financial Statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of Financial Statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**c) REVENUE RECOGNITION**

- i) All Income & Expenditure are accounted for on accrual basis except in case of uncertainties where accrual is postponed upto resolution of uncertainty.
- ii) Investments are capitalised at cost inclusive of brokerage, Service Tax, Education Cess, Transfer Stamps and Security Transaction Tax. Depository Charges and other miscellaneous transaction charges which due to practical difficulty cannot be identified / allocated to a particular transaction are charged directly to the Statement of Profit and Loss.

**d) FIXED ASSETS**

Fixed Assets are stated at cost less depreciation.

**e) DEPRECIATION**

Depreciation on tangible assets is provided on Straight Line method over the useful life of assets in the manner specified in Schedule II to the Companies Act, 2013.

**f) INVESTMENTS**

Non Current / Long Term Investments are valued at cost. Provision for diminution in the value of Long term / Non current Investments is made only if such a decline is other than temporary.

**g) INVENTORIES**

Inventories are valued at cost or market price which ever is lower.

**h) EMPLOYEE BENEFITS**

- i) Employee Benefits are recognized / accounted for on the basis of revised AS-15 detailed as under:-
- ii) Short Term Employee Benefits are recognized as expense at the undiscounted amount in the Profit & Loss account of the year in which they are incurred.
- iii) Employee Benefits under defined contribution plans comprise of contribution to Provident Fund and Superannuation. Contributions to Provident Fund are deposited with appropriate authorities and charged to Profit & Loss account. Contribution to Superannuation are funded with Life Insurance Corporation of India.
- iv) Employee Benefits under defined benefit plans comprise of gratuity and leave encashment which are accounted for as at the year end based on actuarial valuation by following the Projected Unit Credit (PUC) method. Liability for gratuity is funded with Life Insurance Corporation of India.
- v) Termination Benefits are recognized as an expense as and when incurred.
- vi) The Actuarial Gains and Losses arising during the year are recognized in the Profit & Loss account of the year without resorting to any amortization.

**i) TAXATION**

Tax expenses for the year comprises of Current Tax and Deferred Tax Charge or Credit. The Deferred Tax Asset and Deferred Tax Liability is calculated by applying tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred Tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax law are recognised only if there is virtual certainty of its realisation. Other Deferred Tax Assets are recognised only to the extent there is a reasonable certainty of realisation in future. Deferred Tax Assets / Liabilities are reviewed at each Balance Sheet date based on development during the year, further future expectations and available case laws to reassess realisation / liabilities.

**j) IMPAIRMENT OF FIXED ASSETS**

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's Fixed Assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the assets in prior years.

**k) CONTINGENCIES:**

The Company creates a provision when there is present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a Contingent Liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2015

2. SHARE CAPITAL

Particulars	As at 31st March, 2015 (In ₹)		As at 31st March, 2014 (In ₹)	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
<b>AUTHORIZED</b>				
2,00,00,000 (2,00,00,000) Equity Shares of ₹ 10/- each.		200000000		200000000
1,00,00,000 (1,00,00,000) Redeemable Preference Shares of ₹10/- each		100000000		100000000
40,000 (40,000) Redeemable 6% Cumulative Preference Shares of ₹ 1000/- each		40000000		40000000
		<b>340000000</b>		<b>340000000</b>
<b>ISSUED</b>				
1,28,21,630 (1,28,21,630) Equity Shares of ₹ 10/- each fully paid up.		128216300		128216300
20,000 (20,000) Redeemable 6% Cumulative Preference Shares of ₹ 1000/- each fully paid up		20000000		20000000
		<b>148216300</b>		<b>148216300</b>
<b>SUBSCRIBED &amp; PAID UP</b>				
1,19,92,329 (1,19,92,329) Equity Shares of ₹ 10/- each fully paid up.		119923290		119923290
Add: Forfeited shares - 8,29,301 (8,29,301) Equity Shares (Amount originally paid up)		2736299		2736299
20,000 (20,000) Redeemable 6% Cumulative Preference Shares of ₹ 1000/- each fully paid up		20000000		20000000
		<b>142659589</b>		<b>142659589</b>

- Issued Share Capital has two classes of Shares referred to as Equity Shares and Preference Shares having Par value of ₹ 10/- and ₹ 1000/- respectively. Each holder of Equity Shares is entitled to One vote per share.
- Preference Shares are of par value of ₹ 1000/- each and have a preference of Dividend (cumulative) of 6%. The Shares were allotted in financial year 2007-08 on 13.12.2007 for a term of 7 years which were redeemable at par in 3 annual installment of ₹ 330/-, ₹ 330/- and ₹ 340/- per share at the expiry of 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> year respectively from the date of allotment. The above redemption has been extended to 12th, 13th and 14th year from the date of allotment. Thus ₹ 66,00,000, ₹ 66,00,000/- and ₹ 68,00,000/- would be redeemable in FY 2019-20, FY 2020-21 and FY 2021-22 respectively.

Reconciliation of the number of shares outstanding and Amount of Share Capital as on 31st March, 2015 & 31st March, 2014 is as under:

Equity Shares:

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Number of shares at the beginning	11992329	119923290	11992329	119923290
Number of shares at the end	11992329	119923290	11992329	119923290

Preference Shares:

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Number of shares at the beginning	20000	20000000	20000	20000000
Number of shares at the end	20000	20000000	20000	20000000

Particulars of Shares in the Company held by each Shareholder holding more than 5% Shares:

Name of Shareholders	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
<b>Equity Shares:</b>				
Lalit Bhasin	7424304	61.91	7424304	61.91
<b>Preference Shares:</b>				
HB Stockholdings Limited	10000	50.00	10000	50.00
HB Leasing & Finance Co. Limited	5000	25.00	5000	25.00
RRB Securities Limited	5000	25.00	5000	25.00

- In the event of the Liquidation of the Company, the holder of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all Preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

3. RESERVES AND SURPLUS

Particulars	As at 31st March, 2015 (In ₹)		As at 31st March, 2014 (In ₹)	
	Non-Current	Current	Non-Current	Current
Securities Premium Reserve - Opening Balance	499736601		499736601	
Add: Addition during the year	0		0	
	<b>499736601</b>		<b>499736601</b>	
Statutory Reserve - Opening Balance *	158904833		148652341	
Add: Transferred from Surplus	1611485		10252492	
	<b>160516318</b>		<b>158904833</b>	
General Reserve - Opening Balance	313644543		309644543	
Add: Transferred from Surplus	0		4000000	
	<b>313644543</b>		<b>313644543</b>	
Surplus - Opening Balance	162532039		184466019	
Add: Net Profit/(Loss) after tax transferred from Statement of Profit & Loss	(43097696)		13364151	
	<b>119434343</b>		<b>197830170</b>	
Less: Transferred to Statutory Reserve	1611485		10252492	
Transferred to General Reserve	0		4000000	
Proposed Dividend on Equity shares (Dividend Per Equity Share ₹ 0.50/-, Previous Year ₹ 1.50/-)	5996165		17988494	
Tax on Dividend	1227415		3057145	
Surplus - Closing Balance	<b>110599278</b>		<b>162532039</b>	
	<b>1084496740</b>		<b>1134818016</b>	

(\*) Created by way of transfer of specified percentage of profits as per Section 451C of Reserve Bank of India (Amendment) Act, 1997. Appropriation from Reserves shall be for the purposes as may be specified by Reserve Bank of India.

4. LONG TERM BORROWINGS

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	Non-Current	Current	Non-Current	Current
Term Loan From Bank - Secured * (Secured against Hypothecation of Vehicle financed)	134569	785235	919804	714362
	<b>134569</b>	<b>785235</b>	<b>919804</b>	<b>714362</b>

(\*) The Loan taken is at Interest rate of 9.5%.

Maturity Profile of Secured Term Loan from banks are as under:

	1-2 years	2-3 years
- Vehicle Loan from ICICI Bank	134569	0

5. LONG TERM PROVISIONS

Particulars	As at 31st March, 2015 (In ₹)		As at 31st March, 2014 (In ₹)	
	Non-Current	Current	Non-Current	Current
<b>Provisions For Employees Benefit</b>				
Leave Encashment	1052818		945832	
<b>Others</b>				
-Contingent Provision against Standard Assets	86271		86271	
	<b>1139089</b>		<b>1032103</b>	

6. SHORT TERM BORROWINGS

Particulars	As at 31st March, 2015 (In ₹)		As at 31st March, 2014 (In ₹)	
	Non-Current	Current	Non-Current	Current
<b>From Banks:</b>				
Overdraft Facility - Secured *	9908941		24367744	
	<b>9908941</b>		<b>24367744</b>	

(\*)Overdraft Facility from Bank is secured against guarantee and pledge of Shares and also Guarantee of Shri Lalit Bhasin (Director).



7. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
Current Maturities of Long Term Debt (Refer Note No. 4)	785235	714362
Unclaimed Dividend *	14022437	13223099
Advance from customers / Margin money etc.	69097781	41074276
Expenses Payable	991713	1130344
TDS Payable	475393	163283
	<b>85372559</b>	<b>56305364</b>

(\*)There is no amount due and outstanding to be transferred to Investor Education & Protection Fund.

8. SHORT TERM PROVISIONS

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>Provisions For Employees Benefit</b>		
Leave encashment	23881	24101
<b>Others</b>		
Income Tax	0	7888605
Doubtful Debt and Advances	1895832	1895832
Proposed Dividend	5996165	17988494
Tax on Dividend	1227415	3057145
Contingent Provision against Standard Assets	915625	891250
	<b>10058918</b>	<b>31745427</b>

9. FIXED ASSETS

(Amount In ₹)

S. No.	Particulars	GROSS BLOCK			DEPRECIATION						NET BLOCK		
		As at 01.04.2014	Addition during the year	Deduction during the year	As at 31.03.2015	Up to 31.03.2014	For the year (a)	Adjustments for earlier years	Adjustments during the year (b) - Refer Note no. 26	Total depreciation for the year (a+b)	Total up to 31.03.2015	As on 31.03.2015	As on 31.03.2014
	<b>Tangible Assets</b>												
1	Furnitures & Fixtures	21643	0	0	21643	20384	0	177	177	20561	1082	1259	
2	Vehicles	7596413	0	0	7596413	4341926	854271	120551	974822	5316748	2279665	3254487	
3	Office Equipment	1318670	48213	0	1366883	510311	269731	0	281378	551109	1061420	808359	
4	Data Processing Machine	4874718	0	0	4874718	4812222	19618	0	14401	34019	4846241	28477	
5	Generator	1880763	0	0	1880763	921506	299416	0	9210	308626	1230132	959257	
	<b>Total</b>	<b>15692207</b>	<b>48213</b>	<b>0</b>	<b>15740420</b>	<b>10606349</b>	<b>1443036</b>	<b>0</b>	<b>425717</b>	<b>1868753</b>	<b>12475102</b>	<b>5085858</b>	
	(Previous Year)	15467133	2839609	2614535	15692207	12117582	784992	838741	1457848	3081581	10606349	3349551	

10. INVESTMENTS

Name of the Company	Face Value (In ₹)	As at 31st March, 2015		As at 31st March, 2014	
		Qty. (Nos.)	Amount (In ₹)	Qty. (Nos.)	Amount (In ₹)
<b>NON CURRENT INVESTMENTS (AT COST)</b>					
<b>(LONG TERM INVESTMENTS)</b>					
<b>(1) IN ASSOCIATES</b>					
<b>UNQUOTED FULLY PAID UP EQUITY SHARES, NON TRADE</b>					
<b>Taurus Investment Trust Co. Limited</b>	10	49040	498999	49040	498999
Cost of acquisition			3833145		3265997
Add / (Less): Group Share of Profits/(Losses) upto year end			4332144		3764996
<b>Pisces Portfolios Private Limited</b>	10	0	0	3189980	69899800
Cost of acquisition			0		81692022
Add / (Less): Group Share of Profits/(Losses) upto year end			0		151591822
<b>Merwanjee Securities Limited</b>	10	1200000	12000000	1200000	12000000
Cost of acquisition			7360193		7502910
Add / (Less): Group Share of Profits/(Losses) upto year end			19360193		19502910
<b>Taurus Asset Management Co. Limited</b>	10	6275000	58140000	6275000	58140000
Cost of acquisition			37500000	1250000	37500000
Fully Paid up shares	10	1250000	4459058		-30298891
Partly Paid up shares	10		100099058		65341109
Add / (Less): Group Share of Profits/(Losses) upto year end			200100	20010	200100
<b>HB Insurance Advisors Limited</b>	10	20010	-200100	20010	-200100
Cost of acquisition			0		0
Add / (Less): Group Share of Profits/(Losses) upto year end			8794050	11984030	240200837
<b>(2) INVESTMENTS (IN OTHERS)</b>					
<b>A. TRADE INVESTMENTS</b>					
<b>INVESTMENT IN EQUITY INSTRUMENTS</b>					
<b>-FULLY PAID UP EQUITY SHARES (QUOTED)</b>					
Ahluwalia Contracts (I) Limited	2	286	25485	0	0
Crompton Greaves Limited	2	11027	46449	11027	46449
H S I L Limited	2	2500	46500	2500	46500
HB Estate Developers Limited	10	2041587	69899800	0	0
IDBI Limited	10	0	0	70000	6208096
The Indian Hotels Limited	1	0	0	100000	5728253
Jaiprakash Associates Limited	2	2836657	94792362	3281657	109662895
Jaypee Infratech Limited	10	425353	17357328	430353	17561362
RRB Securities Limited	10	1000000	10000000	1000000	10000000
Sumit Securities Limited	10	2837	689305	2837	689305
Tata Global Beverages Limited	1	1000	67814	1000	67814
<b>TOTAL (A) (TRADE INVESTMENTS)</b>		<b>5421247</b>	<b>192925043</b>	<b>3999374</b>	<b>150010674</b>



Name of the Company	Face Value (In ₹)	As at 31st March, 2015		As at 31st March, 2014	
		Qty. (Nos.)	Amount (In ₹)	Qty. (Nos.)	Amount (In ₹)
<b>B. NON TRADE INVESTMENTS</b>					
<b>B.1 INVESTMENT IN EQUITY INSTRUMENTS</b>					
<b>-FULLY PAID UP EQUITY SHARES (QUOTED)</b>					
Bee Electronics Machine Limited	10	6500	184501	6500	184501
Nahar Spring Mills Limited	5	607	42490	607	42490
Pasupati Spining & Wvg. Mills Limited	10	1520	282335	1520	282335
Nahar Capital and Financial Services Limited	10	258	36120	258	36120
<b>-FULLY PAID UP EQUITY SHARES (UNQUOTED)</b>					
Har Sai Investments Limited	10	200000	2000000	200000	2000000
Kesoram Textiles Limited	10	49699	357071	49699	357071
Delhi Stock Exchange Limited	1	47044	1457921	47044	1457921
<b>TOTAL (B.1)</b>		<b>305628</b>	<b>4360438</b>	<b>305628</b>	<b>4360438</b>
<b>B.2 INVESTMENT IN PREFERENCE SHARES</b>					
<b>FULLY PAID UP REDEEMABLE PREFERENCE SHARE</b>					
HB Estate Developers Limited (9% Non Cumulative)	100	750000	75000000	750000	75000000
Gemini Portfolio Private Limited (9% Non Cumulative)	100	500000	50000000	0	0
Venus Portfolio Private Limited (9% Non Cumulative) (Previous year application money paid, allotted during the year)	100	1190000	119000000	1190000	119000000
<b>TOTAL (B.2)</b>		<b>2440000</b>	<b>244000000</b>	<b>1940000</b>	<b>194000000</b>
<b>B.3 INVESTMENT IN DEBENTURES</b>					
<b>(UNQUOTED, FULLY PAID UP, COMPULSORILY CONVERTIBLE DEBENTURES)</b>					
The Indian Hotels Co. Limited	55	27000	1485000	0	0
<b>TOTAL (B.3)</b>		<b>27000</b>	<b>1485000</b>	<b>0</b>	<b>0</b>
<b>B.4 INVESTMENT IN MUTUAL FUNDS</b>					
<b>FULLY PAID UP UNITS</b>					
Taurus Mutual Fund - Libra Tax Shield-96	10	400000	3836000	400000	3836000
SBI Multipliers	10	500	5220	500	5220
Taurus Mutual Fund - Taurus Bonanza Fund	10	138673	2095996	138673	2095996
Taurus Mutual Fund - Corpus		-	200000	-	200000
Taurus Liquid Fund - Direct plant-Super Institutional Plan	10	0	0	7257	10000000
<b>TOTAL (B.4)</b>		<b>539173</b>	<b>6137216</b>	<b>546430</b>	<b>16137216</b>
<b>B.5 PREFERENCE SHARES APPLICATION</b>					
Falcon Portfolio Management Private Limited (9% Non Cumulative)	100	500000	50000000	500000	50000000
HB Growth Fund Limited (9% Non Cumulative)	100	1000000	100000000	1000000	100000000
<b>TOTAL (B.5)</b>		<b>1500000</b>	<b>150000000</b>	<b>1500000</b>	<b>150000000</b>
<b>TOTAL B (B.1+B.2+B.3+B.4+B.5) (NON TRADE INVESTMENTS)</b>		<b>4811801</b>	<b>405982654</b>	<b>4292058</b>	<b>364497654</b>
<b>TOTAL (2) (A+B)-NON CURRENT/LONG TERM INVESTMENTS-OTHER THAN ASSOCIATES</b>		<b>10233048</b>	<b>598907697</b>	<b>8291432</b>	<b>514508328</b>
<b>TOTAL (1+2) NON CURRENT/LONG TERM INVESTMENTS</b>		<b>19027098</b>	<b>722699092</b>	<b>20275462</b>	<b>754709165</b>

Notes

	As at March 31, 2015	As at March 31, 2014
10.1 Aggregate Amount of Quoted Investments	193470489	150556120
10.2 Market Value of Quoted Investments	102267354	209936248
10.3 Aggregate Amount of Unquoted Investments	529228603	604153045
10.4 Investment Costing ₹ 3,33,22,089/- (Previous Year ₹ 13,67,54,711/-) were lying Pledged/given as Margin as at the year end.		
10.5 In the opinion of the management no provision is required for Diminution amounting to ₹ 9,41,96,631/- (Previous Year ₹ 1,07,79,920/-) in the value of some of the Long Term / Non Current investment, as the same is considered to be temporary.		

11. DEFERRED TAX ASSETS

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>Deferred Tax Assets</b>		
Leave Encashment / Gratuity	348072	313459
Fixed Assets	-105218	-180311
	<b>242854</b>	<b>133148</b>

12. LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>(Unsecured, Considered Good)-Standard</b>		
Security Deposits *	48155940	48155940
	<b>48155940</b>	<b>48155940</b>

(\*) Includes Deposits given to Related Party - Refer Note No. 27

13. INVENTORIES

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
Stock In Trade * (Shares / Securities)	13411	13411
	<b>13411</b>	<b>13411</b>

(\*) Valued at lower of Cost or Market Price

14. TRADE RECEIVABLE

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>Unsecured, Considered Good:</b>		
More than six months	16781	3346
Others (Includes due from Related Parties - Refer Note No. 27)	3830	985609
	<b>20611</b>	<b>9858955</b>



## HB PORTFOLIO LIMITED (Consolidated Financial Statements)

### 15. CASH & BANK BALANCES

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>Cash &amp; Cash equivalents</b>		
<b>Balances with Banks</b>		
In Current Accounts	20227842	19328004
Cash-in-Hand	496355	485241
<b>Other Bank Balances</b>		
Deposit with bank *	24612500	24612500
Earmarked Unpaid Dividend Account	14022437	13223099
	<b>59359134</b>	<b>57648844</b>

(\*) Includes ₹ 87,500/- (Previous year ₹ 87,500/-) lien marked with Delhi Stock Exchange, ₹ 50,00,000/- (Previous Year ₹ 50,00,000/-) lien marked with NSE/NSCCL, ₹ 1,95,25,000/- (Previous Year ₹ 1,95,25,000/-) lien marked for Bank Guarantee with NSE.

### 16. SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
<b>Unsecured, Considered Good, Unless otherwise stated:</b>		
Loan and Advances to Related Parties (Refer Note No. 27)	90000000	100000000
<b>Others</b>		
Inter Corporate Deposits - Standard	35000000	0
Amount Recoverable from employees	534483	534020
Income Tax and TDS	453899	0
Advance against share application Money / Securities / Property - Standard	366980000	406884378
	<b>492968382</b>	<b>507418398</b>

### 17. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2015 (In ₹)	As at 31st March, 2014 (In ₹)
Interest accrued but not due on Bank Deposits	472625	482054
Interest accrued but not due on Loans *	2856823	4846685
Dividend Receivable	0	2550
Claim Recoverable - Doubtful	1895832	1895832
Other Recoverable **	1820383	1597207
	<b>7045663</b>	<b>8824328</b>

(\*) Includes due from Related Party ₹ 23,96,713/- (Previous Year ₹ 48,46,685/-) - Refer Note No. 27.

(\*\*) Includes Prepaid Expenses, Imprest for Expenses and Claim Recoverable.

### 18. REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Profit on Sale of Long Term / Non Current Investments (Net)	16112583	64994999
Interest Income on Loans and intercorporate deposits (Tax deducted at Source ₹ 11,31,122/- (Previous Year ₹ 10,80,000/-))	11311234	10800000
Dividend Income (Gross)		
- On Long Term / Non Current Investments	78014	3523962
- On Stock in Trade	1144	1288
Income from Services rendered / Commission (Net)	497136	2084933
	<b>28000111</b>	<b>81405182</b>

Considering the nature / activities of Company, the Income from Investment and Finance activities are shown Operational Income.

### 19. OTHER INCOME

(Amount in ₹)

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Interest On Fixed Deposits	2240568	2262054
Liability / Provision no longer required written back	0	464920
Miscellaneous Income (Tax deducted at Source ₹ 12,000/- (Previous Year ₹ 12,000/-))	610000	1534442
Interest on Income Tax refund	133317	83901
	<b>2983885</b>	<b>4345317</b>

### 20. EMPLOYEE BENEFIT EXPENSES

(Amount in ₹)

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Salaries and Benefits	8597545	7954491
Contribution to Provident Fund and other fund	697865	669534
Staff Welfare	19084	20715
	<b>9314494</b>	<b>8644740</b>

### 21. FINANCE COSTS

(Amount in ₹)

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Interest expense on vehicle loan	124630	133326
Interest expense on Overdraft facility	1171857	0
Interest on Income Tax	2589612	2032861
	<b>3886099</b>	<b>2166187</b>

### 22. OTHER EXPENSES

(Amount in ₹)

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Rent/Facility Charges	967692	967692
Vehicle Running and Maintenance	754400	870590
Repair and Maintenance-others	1009777	975579
Insurance	104219	102192
Travelling & Conveyance	781526	467935
Communication	1198340	886641
Printing & Stationery	1086451	657057
Legal & Professional	541246	1431280
Loss on Sale of Fixed Asset	0	572851
Electricity	845906	764026
Listing Fee	112360	44944
Advertisement	112161	210713
Director Sitting fees	393260	460303
Vsat charges	41900	26218
Depository and Custodial	41879	41879
Miscellaneous	663166	867029
Auditors Remuneration		
-Audit Fees	132978	130478
-Tax Audit Fees	16854	19354
-Income Tax Matters	16000	39326
-Certification and others	50786	96067
	<b>216618</b>	<b>285225</b>
	<b>8870902</b>	<b>9632154</b>

### 23. The accompanying consolidated financial statement includes the accounts of HB Portfolio Limited and its following Subsidiaries:-

Name of Company	Country of Incorporation	Proportion of ownership interest and relationship	Financial Year end
HB Securitites Ltd	India	100% Subsidiary of HB Portfolio Ltd.	31.03.2015
HB Corporate Services Ltd.	India	100% Subsidiary of HB Portfolio Ltd.	31.03.2015

### 24. The accompanying Consolidated Financial Statements consider the following Associates Companies:-

S. No.	Name of Associates Company	Country of Incorporation	Proportion of ownership interest
(i)	Taurus Asset Management Co. Ltd.(*)	India	50.00% (50.00%)
(ii)	Taurus Investment Trust Co. Ltd.(**)	India	50.00% (50.00%)
(iii)	HB Insurance Advisors Ltd.(*)	India	39.96% (39.96%)
(iv)	Marwanjee Securities Ltd.(*)	India	48.00% (48.00%)
(v)	Pisces Portfolios Private Limited(*)	India	49.84% (49.84%)

\* Valuation done on the basis of available Unaudited, Management Certified Financial Statements for year ended 31.03.2015.

\*\* Valuation has been considered on the basis of last Audited Financial Statement for year ended 31.03.2014

\*\*\* During the year, Pisces Portfolios Private Limited has been ceased to be Associate of the Company consequent upon the merger of Pisces Portfolios Private Limited with the HB Estate Developers Limited as per scheme sanctioned by Hon'ble Punjab & Haryana High Court w.e.f. 01/04/2012.

### 25. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

#### a) Contingent Liabilities

Dividend on Cumulative Preference Shares ₹ 88,18,113/- (Previous Year ₹ 76,18,113/-).

#### b) Commitments

₹ 1,25,00,000/- (Previous Year ₹ 1,25,00,000/-) on account of uncalled call money in respect of Partly Paid up Shares.





26. During the year, the Company has revised depreciation rates on Fixed Assets as per the useful life specified in Schedule II to the Companies Act, 2013. Based on the Current estimates, depreciation of ₹ 4,25,717/- on account of Assets whose useful life has already exhausted as on April 1, 2014 has been added to the depreciation for the year ended 31st March, 2015.

Due to aforesaid revision in depreciation rates, depreciation for the year as charged in the Profit & Loss account is higher by ₹ 11,67,971/-.

**27. RELATED PARTY TRANSACTIONS**

**27.1 List of Related Parties with whom transactions have taken place and relationship:**

- a) **Key Managerial Personnel (KMP):**
1. Shri Anil Goyal, Managing Director
  2. Shri Praveen Gupta - Director
  3. Shri Dinesh Kapoor, Company Secretary (w.e.f. 16th April, 2014)
  4. Ms. Nishu Tomar, Company Secretary (up to 15th April, 2014)

b) **Associates:**

1. Merwanjee Securities Limited
2. Pisces Portfolios Private Limited (Erstwhile Associate)
3. Taurus Asset Management Co. Limited
4. HB Insurance Advisors Limited

c) **Person having control / significant influence /major Shareholders:**

1. Shri Lalit Bhasin

d) **Enterprises over which control / significant influence exist of the relatives of persons mentioned in (c) above:**

1. RRB Master Securities Delhi Limited

e) **Companies under direct or indirect common control / significant influence:**

1. HB Stockholdings Limited
2. HB Estate Developers Limited
3. HB Leasing and Finance Co. Limited
4. RRB Securities Limited
5. RRB Masterholdings Limited

**27.2 Transactions during the year with related Parties are as under.**

(Amount in ₹)

Sr. No.	Nature of Transaction	Related Party referred in (a) above	Related Party referred in (b) above	Related Party referred in (c) above	Related Party referred in (d) above	Related Party referred in (e) above
1	Purchase of Investments through them	Nil (Nil)	Nil (Nil)	Nil (Nil)	9125968 (21990262)	Nil (Nil)
2	Sale of Investment through them	Nil (Nil)	Nil (Nil)	Nil (Nil)	51512238 (149147950)	Nil (Nil)
3	Margin Paid/Received (Net)	Nil (Nil)	Nil (Nil)	Nil (Nil)	22399000 (106750000)	Nil (Nil)
4	Remuneration and other services	6350914 (5955920)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
5	Sitting Fee	Nil (Nil)	Nil (Nil)	40000 (50000)	Nil (Nil)	Nil (Nil)
6	Dividend Paid	Nil (Nil)	Nil (Nil)	11136456 (11136456)	Nil (Nil)	201240 (201240)
7	Loan / Advance / Margin Received / Recovered	Nil (Nil)	10000000 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
8	Brokerage charges received in respect of Sale/Purchase of securities through us.	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
9	Depository Charges received	286 (15)	Nil (Nil)	2297 (8796)	94486 (21518)	126636 (79687)
10	Interest Income on loan	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	10800000 (10800000)
11	Rent Paid	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	967692 (967692)
12	Payment against Liabilities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
13	Dividend Received	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (55480)
14	Investment made	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
15	Investment redeemed	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
16	Amount received against sale of Investment and Dividend Receivable	Nil (Nil)	Nil (6213674)	Nil (Nil)	Nil (Nil)	Nil (Nil)
17	Reimbursement of Interest	Nil (Nil)	Nil (Nil)	Nil (Nil)	2574548 (Nil)	1419540 (360110)
18	Reimbursement of Expenses	Nil (Nil)	20000 (15000)	Nil (Nil)	2574548 (Nil)	1419540 (360110)
19	<b>Outstanding as on 31.03.2015</b>					
	- Payable in respect of Current Liabilities	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	- In respect of Security Deposit Paid for Premises on Rent	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	34500000 (34500000)
	- Receivables in respect of Loan, advances and Interest receivable	Nil (Nil)	Nil (10000000)	Nil (Nil)	Nil (Nil)	92396713 (94846685)
	- Payable in respect of advances received	Nil (Nil)	Nil (Nil)	Nil (Nil)	69028426 (46986180)	Nil (Nil)
	- Trade Receivable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (9849004)	Nil (Nil)
	- Receivable in respect of expenses recoverable	Nil (Nil)	35000 (15000)	Nil (Nil)	0 (9849004)	Nil (Nil)

Note: Figures in brackets related to previous year.

**27.3 Disclosure in respect of outstanding closing balance of related party transactions.**

1. Security Deposit given includes ₹ 3,45,00,000/- (Previous year ₹ 3,45,00,000/-) to HB Estate Developers Limited.
2. Loan and Advances includes loan of ₹ 9,00,00,000/- (Previous year ₹ 9,00,00,000) to HB Estate Developers Limited and ₹ Nil (Previous year ₹ 1,00,00,000/-) to Merwanjee Securities Limited.
3. Interest receivable includes ₹ 23,96,713/- (Previous year ₹ 48,46,685/-) from HB Estate Developers Limited.
4. Trade Receivables includes ₹ Nil (Previous Year ₹ 98,49,004/-) due from RRB Master Securities Delhi Limited.
5. Expenses recoverable includes ₹ 35,000/- (Previous year ₹ 15,000/) from HB Insurance Advisors Limited.

**28. SEGMENT REPORTING**

In the opinion of Management there are no separate reportable segments as per Accounting Standard Segment reporting (AS-17).

**29. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD - 15**

**Defined Contribution Plan**

Amount recognized as expense for defined contribution plans are as under: -

Particulars	Current Year	Previous Year	Head under which shown in the Profit & Loss account
Contribution to Provident Fund	6,56,256/-	6,11,700/-	Contribution to Provident fund and other fund.
Contribution to superannuation fund	1,00,000/-	1,00,000/-	Contribution to Provident fund and other fund.



**Defined Benefit Plan**  
Movement in net liability

Particulars	Gratuity (Funded) (₹)		Leave Encashment (Unfunded) (₹)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligations as at beginning of the year (A)	39,65,856/-	37,14,006/-	9,69,933/-	9,23,774/-
Interest Cost (B)	3,17,269/-	2,97,120/-	77,594/-	83,140/-
Current Service Cost (C)	1,84,952/-	1,82,068/-	61,428/-	45,201/-
Benefits paid (D)	(1,68,000)/-	Nil/-	(2,65,193)/-	(1,69,546)/-
Actuarial loss / (gain) on obligation (E)	(1,71,482)/-	(2,27,338)/-	2,32,937/-	87,364/-
Present value of obligations as at the end of the year (F=A+B+C-D+E)	41,28,595/-	39,65,856/-	10,76,699/-	9,69,933/-

The amounts recognized in the Balance Sheet and Profit & Loss Account are as follows:

Particulars	Gratuity (Funded) (₹)		Leave Encashment (Unfunded) (₹)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligation (A)	41,28,595/-	39,65,856/-	10,76,699/-	9,69,933/-
Estimated fair value of plan assets (B)	47,97,210/-	45,64,940/-	Nil	Nil
Net Liability/(Asset) (C=A-B)	(6,68,615)/-	(5,99,084)/-	10,76,699/-	9,69,933/-
<b>Amounts in the Balance Sheet</b>				
Liabilities/(Asset)	(6,68,615)/-	(5,52,918)/-	10,76,699/-	9,69,933/-
<b>Amount charged to Profit &amp; Loss Account</b>				
Current Service Cost	1,84,952/-	1,82,068/-	61,428/-	45,201/-
Interest Cost	3,17,269/-	2,97,120/-	77,594/-	83,140/-
Expected Return on Plan Asset	(3,91,263)/-	(2,96,061)/-	Nil	Nil
Actuarial(Gain)/Loss	(1,71,482)/-	(2,27,338)/-	2,32,937/-	87,364/-
	(60,524)/-	(44,211)/-	3,71,959/-	2,15,705/-
<b>Head under which shown in the Profit &amp; Loss account</b>				
Contribution to Provident Fund and other Fund			Salaries & benefits	

The Actual Return on Plan Assets is as follows:

Particulars	Gratuity	
	Current Year	Previous Year
Actual return on plan assets	3,91,263/-	2,96,061/-

Following are the Principal Actuarial Assumptions used as at the Balance Sheet date

Particulars	Gratuity	
	Current Year	Previous Year
Discount Rate	8%	8%
Expected Rate of Return on Plan Assets	9%	9%
Salary Escalation Rate	6%	6%

A reconciliation of the opening and closing balances of the fair value of plan assets:

SI. No.	Particulars	Gratuity	
		Current Year	Previous Year
	Opening Fair Value of Plan Assets	45,64,940/-	42,66,924/-
i)	Expected Return on Plan Assets	3,91,263/-	2,96,061/-
ii)	Actuarial Gains / (Losses)	Nil/-	Nil/-
iii)	Contribution by the Employer	9,007/-	1,955/-
iv)	Benefits Paid	(1,68,000)	Nil/-
	Closing Fair Value of Plan Assets	47,97,210/-	45,64,940/-

As per our Report attached on even date

For P. BHOLUSARIA & CO.  
Chartered Accountants  
Firm Registration No. : 000468N

AMIT GOEL  
(Partner)  
Membership No.: 092648

Place : Gurgaon  
Date : 28th May, 2015

**30. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD AS-19 FOR LEASES:**

**Operating Lease**

- a) Particulars of the minimum lease payments under Operating Lease:-  
Not Later than One year ₹ 9,67,692/- (Previous Year ₹ 9,67,692/-)  
Later than one year but not later than five years ₹ NIL (Previous Year ₹ NIL)  
Later than five years ₹ NIL (Previous Year ₹ NIL)
- b) Minimum lease payments recognised in the statement of Profit & Loss account during the year ended 31st March, 2015 is ₹ 9,67,692/- (Previous Year ₹ 9,67,692/-).
- c) General description of the lease arrangement.  
- The Lessee shall not sublet or otherwise part with possession of a part or whole of the premise without the previous consent in writing of the Lessor.  
- The Lessee shall use the premises for commercial purposes only.

**31. EARNING PER SHARE PURSUANT TO ACCOUNTING STANDARD (AS-20) "EARNING PER SHARE"**

Particulars	Current Year (in ₹)	Previous Year (in ₹)
Net Profit/(Loss) as Per Statement of Profit and Loss.	3411946	50050447
Add: Share of Profit/-Loss in Associates /Erstwhile Associate	-46509642	-36686296
Less: Preference Share dividend	1200000	1200000
Net Profit/-Loss available for Equity Shareholders	-44297696	12164151
Earning Per Share (Face Value of ₹ 10 each)		
Weighted Average Nos. of Equity Share Outstanding	1,19,92,329	1,19,92,329
Basic and Diluted Earning per share (₹)	-3.69	1.01

32. The Holding Company made an application for issue of Certificate of Registration with Reserve Bank of India (RBI) under Section 451A of the Reserve Bank of India Act, 1934. The application of the Company was, however, returned by RBI vide its letter dated December 24, 2004 with an advice to resubmit the application on the completion of SEBI's enquiry against the group companies. In an Appeal filed by the Company before the Appellate Authority (in the Ministry of Finance) against the aforesaid decision of RBI, the Appellate Authority vide its Order dated September 25, 2006, directed the Company to resubmit the application along with the latest balance sheets and other relevant details within 30 days to RBI and RBI to thereafter decide the case by obtaining necessary response from SEBI within 3 months from the date of receipt of the Order. The Company submitted its application to RBI's Regional Office at New Delhi on 23rd October, 2006 as per the aforesaid directions of the Appellate Authority. Additional details / documents / clarifications as required by RBI from time to time were submitted.

The Company vide its letters dated 11th October, 2010 and 29th January, 2011 intimated the RBI about the disposal of pending proceeding by the SEBI and also furnished copy of SEBI orders. The RBI vide its letter dated 29th March, 2011 advised the Company to make a fresh application for issue of Certificate of Registration. As directed by RBI, the Company filed a fresh application on 20th June 2011. The necessary queries / information raised/sought by RBI from time to time were filed.

Thereafter, the Company was advised by the Reserve Bank of India vide its letter dated 30th January, 2013 to file fresh application for registration as NBFC and accordingly the Company submitted the fresh application along with required documents / information on 29th July, 2013. The Reserve Bank of India again returned the application for submission of additional documents / information vide its letter dated 16th August, 2013 and accordingly the Company submitted the fresh application along with required documents / information on 19th March, 2014. The information / clarifications sought thereafter by RBI have also been submitted by the Company.

**33. INTEREST PAID IS NET OF REIMBURSEMENT RECEIVED DETAILED AS UNDER:**

Particulars	Current Year (in ₹)	Previous Year (in ₹)
Interest paid to bank on overdraft facility	2591937/-	5600420/-
Less: Reimbursement received for Interest Paid on overdraft facility	1419540/-	5600420/-
Net Amount	1171857/-	NIL

34. Share of Profit / Loss in Associates for the current year includes loss of Rs. 8,16,92,022/- on account of Pisce Portfolios Private Limited which ceased to be Associate of the Company during the year consequent upon its amalgamation with HB Estate Developers Limited as per Scheme of Amalgamation sanctioned by Hon'ble Punjab & Haryana High Court.

35. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

36. The Group does not have any pending litigation which would impact its financial position.

37. The Previous year figures have been regrouped/reclassified, wherever necessary to conform to the Current Year's presentation.

For and on behalf of the Board

ANIL GOYAL  
(Managing Director)

J.M.L. SURI  
(Director)

DINESH KAPOOR  
(Company Secretary)



## Form AOC-1

Pursuant to first proviso to sub-section (3) of Section 129 read with  
Rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the Financial Statements of Subsidiaries / Associate Companies / Joint Ventures

## Part "A": Subsidiaries

(Amount in ₹)

Sl. No.	Particulars	(1)	(2)
1.	Name of the Subsidiary	HB Corporate Services Limited	HB Securities Limited
2.	Reporting period for the Subsidiary concerned, if different from the Holding Company's reporting period	N.A	N.A
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries.	N.A	N.A
4.	Share Capital	4,25,10,700	9,20,75,700
5.	Reserves & Surplus	81,14,086	25,63,898
6.	Total Assets	5,07,63,838	17,43,07,512
7.	Total Liabilities	5,07,63,838	17,43,07,512
8.	Investments	Nil	5,40,03,367
9.	Turnover	Nil	28,83,028
10.	Profit before taxation	(23,763)	(44,81,673)
11.	Provision for taxation	Nil	(1,40,043)
12.	Profit after taxation	(23,763)	(46,21,716)
13.	Proposed Dividend	NIL	NIL
14.	% of Shareholding	100%	100%

## Notes:

- Names of Subsidiaries which are yet to commence operations – N.A
- Names of Subsidiaries which have been liquidated or sold during the year – N.A

For and on behalf of the Board

ANIL GOYAL  
(Managing Director)

J.M.L. SURI  
(Director)

DINESH KAPOOR  
(Company Secretary)

## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Amount in ₹)

Sl. No.	Name of Associates	Taurus Asset Management Co. Ltd.	Taurus Investment Trust Company Limited	HB Insurance Advisors Limited	Merwanjee Securities Limited *
1.	Latest Audited Balance Sheet Date	31st March, 2015	31st March, 2015	31st March, 2015	31st March, 2015
2.	Shares of Associate held by the Company on the year end				
	No.	7525000	49040	20010	1200000
	Amount of Investment in Associates	9,56,40,000	4,98,999	2,00,100	1,20,00,000
	Extend of Holding %	50.00	50.00	39.96	48.00
3.	Description of how there is significant influence	Shareholding / Voting power			
4.	Reason why the Associate / Joint Venture is not Consolidated	Not Applicable			
5.	Net worth attributable to Shareholding as per latest Audited Balance Sheet	10,00,99,058	43,32,143	NIL	1,93,60,735
6.	Profit / Loss for the year				
	Considered in Consolidation	3,47,57,949	5,67,148	Nil	(1,42,717)
	Not Considered in Consolidation	-	-	-	-

\* Associate through Company's Subsidiary namely, HB Securities Limited.

## Notes:

- Names of Associates or Joint Ventures which are yet to commence operations. – N.A
- Names of Associates or Joint Ventures which have been liquidated or sold during the year. – N.A

For and on behalf of the Board

ANIL GOYAL  
(Managing Director)

J.M.L. SURI  
(Director)

DINESH KAPOOR  
(Company Secretary)



# HB PORTFOLIO LIMITED

FORM NO. MGT-11

## PROXY FORM

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014

CIN : L67120HR1994PLC034148  
 Name of the Company : HB Portfolio Limited  
 Regd. Office : Plot No. 31, Echelon Institutional Area, Sector - 32, Gurgaon - 122 001 (Haryana)  
 Name of the Member(s) :  
 Regd. Address :  
 Email Id :  
 Folio No./Client Id :  
 DP Id :

I/We, being the member(s) of ..... Shares of the above named Company, hereby appoint:

- 1) Name..... Address.....  
 Email..... Signature.....or failing him
- 2) Name..... Address.....  
 Email..... Signature.....or failing him
- 3) Name..... Address.....  
 Email..... Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **20<sup>th</sup> ANNUAL GENERAL MEETING** of the Company to be held on **Thursday, 03rd September, 2015** at 11:00 A.M. at GIA HOUSE, I.D.C. Mehrauli Road, Opp. Sector 14, Gurgaon - 122001, Haryana and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

**Ordinary Business:**

1. Adoption of Audited Financial Statements (including Consolidated Financial Statements) for the financial year ended 31st March, 2015 together with the reports of the Directors' and Auditors' thereon.
2. Declaration of Dividend on Equity Shares.
1. Re-appointment of Mr. Anil Goyal, who retires by rotation and being eligible offers himself for re-appointment.
2. Re-appointment of M/s. P. Bholusaria & Co., Chartered Accountants, Statutory Auditors of the Company and fixing their remuneration.

**Special Business:**

5. Appointment of Mrs. Anita Jain (DIN: 00031612) as an Independent Director. **(Ordinary Resolution)**
6. Approval of remuneration of Mr. Anil Goyal, Managing Director (DIN: 00001938) for the remaining currency of his tenure. **(Special Resolution)**.

Signed this \_\_\_\_ day of \_\_\_\_\_, 2015

Signature of the Shareholder \_\_\_\_\_ Signature of Proxyholder(s) \_\_\_\_\_

Affix  
Rupee 1/-  
Revenue  
Stamp

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.



# HB PORTFOLIO LIMITED

ATTENDANCE SLIP

20TH ANNUAL GENERAL MEETING

Date : 03rd day of September, 2015  
 Time : 11.00 A.M.  
 Place : GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurgaon - 122 001, Haryana

FULL NAME OF THE FIRST SHAREHOLDER.....

Joint Shareholders, if any.....

Father's/Husband's Name .....

Address in full.....

FULL NAME(S) OF THE PERSON ATTENDING THE MEETING AS A PROXY/SHAREHOLDER(S)  
 .....

I/We hereby record my/our presence at the 20<sup>th</sup> Annual General Meeting held on Thursday, 03rd day of September, 2015 at 11.00 A.M. at GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurgaon - 122 001, Haryana

Folio No. / DP-Id : .....

Client-Id : .....

No. of Shares : .....

Signature(s).....

Members may please note that the GIA House Authorities do not permit carrying of bags/articles/snack packets etc. inside the meeting hall. The Company will not make any arrangements for safe keeping of articles etc. outside the Hall. Members may make their own arrangements which shall be solely at their risk and cost and the Company will in no way be responsible for any loss/theft of articles etc.

# ROUTE MAP OF GIA HOUSE

